Mr. ALDRICH. Either in letter or spirit.
Mr. TILLMAN. Mr. President——
The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from South Carolina?
Mr. ALDRICH. Certainly.
Mr. TILLMAN. I want to make an inquiry as to what is the exact status. I heard something about paragraph 5 and then about 480.
The PRESIDING OFFICER. Will the Senator from South Carolina allow the Secretary to state the amendment?
Mr. TILLMAN. Certainly.
The SECRETARY. On page 4, in paragraph 5, it is proposed to strike out the following words in the committee amendment:

Sulphate of ammonia, two-tenths of 1 cent per pound.

And it is proposed to disagree to the amendment on page 194, striking out paragraph 480, "ammonia, sulphate of," leaving it upon the free list.
Mr. TILLMAN. That is exactly what we want. I want to say that the southern farmers who use sulphate of ammonia, and for whose benefit we on this side have been contending, do not care a straw about these other ammoniacal preparations. You can put any old duty you want on them, but we want the fertilizer to be free.
Several SENATORS. You have it.
Mr. TILLMAN. We get it; but I did not know what we were getting.
Mr. LA FOLLETTE. Is that the committee amendment?
Mr. ALDRICH. It is taken from the dutiable list and put on the free list.
The PRESIDING OFFICER. Without objection, the committee amendment proposed by the Senator from Rhode Island is agreed to, and paragraph 5, as amended, is agreed to. Without objection, the committee amendment on page 194 is disagreed to.
Mr. ALDRICH. Mr. President——
Mr. CRAWFORD. I want to make an inquiry.
Mr. ALDRICH. I was about to say that this disposes of all the paragraphs to which the committee have any suggested amendments.
Mr. CRAWFORD. Mr. President——
The PRESIDING OFFICER. The Chair will recognize the Senator from South Dakota in a moment.
Mr. CRAWFORD. I only want to make an inquiry.
Mr. GALLINGER. I desire to submit an amendment.
The PRESIDING OFFICER. The Chair will recognize the Senator from New Hampshire in a moment.
Mr. ALDRICH. There are some amendments in regard to——
Mr. BACON. We can not hear the Senator.
The PRESIDING OFFICER. The Senate will be in order.
Mr. ALDRICH. I had an understanding with the Senator from Iowa [Mr. CUMMINS] that we would take up the paragraph in regard to structural iron and steel and dispose of it, but I assume we will hardly be able to do that to-night, especially in view of the notice of the Senator from Georgia that he has several amendments to the free list which he desires to have disposed of.
Mr. STONE. I have an amendment I wish to offer.
Mr. ALDRICH. Then I think perhaps the Senate might as well adjourn.
Mr. GALLINGER. Mr. President——
The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from New Hampshire?
Mr. ALDRICH. Certainly.
Mr. GALLINGER. I want to submit an amendment for the purpose of sending it to conference. It is a trifling matter. In the committee amendment on page 54, lines 13 and 14, I move to strike out the word "twenty-five" where it appears the second time and insert in lieu thereof "thirty-five."
The amendment was agreed to.
Mr. PENROSE. I desire to call the attention of the chairman of the committee to an inequality in the chemical schedule which I think ought to be corrected. I refer to paragraph 70, page 17, line 12. If he wants to make the bill symmetrical and perfected, chlorate of soda ought to be 2 cents instead of 1½ cents, so as to make it the same as chlorate of potash. Both are quoted as chlorates. Both are the same proposition in the markets of the world. Both are made electrolytically, and my attention has been called to it as an absence of symmetry in the bill and a lack of equality. I move that chlorate of soda be 2 cents instead of 1½ cents.
The PRESIDING OFFICER. The Senator from Pennsylvania offers an amendment, which will be stated.
Mr. ALDRICH. I think we had better take that up later.
Mr. PENROSE. Very well.
Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.
Mr. CLAY. Will the Senator withhold that motion for one minute?
Mr. ALDRICH. Certainly.
Mr. CLAY. I do not think I caught the Senator correctly. I understood him to say that all of the paragraphs in this bill had now been disposed of.
Mr. ALDRICH. Oh, no; I said there were two or three exceptions.
Mr. CLAY. Ah, I did not understand that. Paragraph 350 has not been disposed of?
Mr. ALDRICH. Cotton bagging; it has not been disposed of.
Mr. CLAY. That is all right.
Mr. ALDRICH. And cotton ties and binding twine have not been disposed of.
Mr. TILLMAN. And tea has not been disposed of.
Mr. ALDRICH. That amendment has not been offered.
Mr. TILLMAN. I am going to speak several hours when we get on that subject.

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.
The motion was agreed to, and the Senate proceeded to the consideration of executive business. After four minutes spent in executive session the doors were reopened, and (at 5 o'clock and 14 minutes p. m.) the Senate adjourned until Monday, June 28, 1909, at 10 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 26, 1909.

PROMOTIONS IN THE NAVY.

Capt. Albert G. Berry to be a rear-admiral.
Commander William S. Hogg to be a captain.
Lieut. (Junior Grade) Joseph D. Little to be a lieutenant.
Second Lieut. Edward A. Ostermann to be a first lieutenant in the Marine Corps.
Lester S. Wass to be a second lieutenant in the Marine Corps.

POSTMASTERS.

DELAWARE.

Charles C. Tomlinson, at Delmar, Del.

LOUISIANA.

Lou S. Flournoy, at Ruston, La.
James C. Weaks, at Monroe, La.

MICHIGAN.

Alonzo B. Hyatt, at Linden, Mich.

MISSOURI.

Edgar A. Remley, at Columbia, Mo.

NEW YORK.

John L. McKinney, at Pine Bush, N. Y.
Josiah S. Remington, at Fort Ann, N. Y.

NORTH DAKOTA.

Jesse M. Pierson, at Granville, N. Dak.
J. M. Stewart, at Mayville, N. Dak.

OKLAHOMA.

Charles N. Martin, at Haileyville, Okla.
Albert R. Phillips, at Waynoka, Okla.

SENATE.

MONDAY, *June 28, 1909.*

The Senate met at 10 o'clock a. m.
Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.
The Journal of the proceedings of Saturday last was read and approved.

LAWS OF ARIZONA.

The VICE-PRESIDENT laid before the Senate a communication from the secretary of the Territory of Arizona, transmitting pursuant to law, a copy of the session laws of the Twenty-fifth legislative assembly of the Territory of Arizona, which, with the accompanying document, was referred to the Committee on Territories.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1033) to provide for the Thirteenth and subsequent decennial censuses.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Vice-President:

H. R. 10887. An act to make Scranton, in the State of Mississippi, a subport of entry, and for other purposes;

H. R. 10933. An act making appropriations for expenses of the Thirteenth Decennial Census, and for other purposes; and

H. J. Res. 59. Joint resolution amending an act concerning the recent fire in Chelsea, Mass.

GUS D. ROBISON.

Mr. BROWN presented sundry affidavits to accompany the bill (S. 990) granting an increase of pension to Gus D. Robison, which were referred to the Committee on Pensions.

OTIS B. SMITH.

He also presented sundry affidavits to accompany the bill (S. 554) granting an increase of pension to Otis B. Smith, which were referred to the Committee on Pensions.

DAUGHTERS OF THE AMERICAN REVOLUTION.

Mr. SMOOT. I am directed by the Committee on Printing, to whom was referred a communication from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the Eleventh Annual Report of the National Society of the Daughters of the American Revolution (S. Doc. No. 117), to report it favorably, and to request that an order be made for printing the usual number of the report.

The VICE-PRESIDENT. Without objection, the report will be printed as requested.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CARTER:

A bill (S. 2784) granting an increase of pension to George Twible; to the Committee on Pensions.

By Mr. GUGGENHEIM:

A bill (S. 2785) granting an increase of pension to Thomas H. Waltemeyer; to the Committee on Pensions.

By Mr. CRANE:

A bill (S. 2786) granting an increase of pension to Charles H. Miller; to the Committee on Pensions.

AMENDMENTS TO TARIFF BILL.

Mr. CULBERSON. I submit an amendment intended to be proposed by me to the amendment submitted by the Senator from Rhode Island [Mr. ALDRICH]. I ask that it be read, printed, and lie on the table.

The VICE-PRESIDENT. The amendment will be read.

The SECRETARY. On page 11, line 16, after the word "President," insert:

Provided, That either House of the Congress, or any committee thereof, may demand and receive any information obtained, or copies of any document received, evidence taken, or report made, under the provisions of this section.

Mr. CUMMINS. May I ask whether the amendment just read is an amendment to the so-called "corporation income-tax amendment," and is it an amendment proposed by the committee?

The VICE-PRESIDENT. It is an amendment proposed by the Senator from Texas [Mr. CULBERSON].

Mr. CULBERSON. It is an amendment to the amendment.

Mr. CUMMINS. Thank you; I did not hear it.

Mr. CULBERSON. I ask that the Secretary may again read the amendment to the amendment.

The Secretary again read the amendment to the amendment.

The VICE-PRESIDENT. The amendment to the amendment will be printed.

Mr. CLAPP. The President, in his message transmitted to Congress a few days ago, suggested the propriety of an excise tax on the privilege of being incorporated. The committee in reporting its amendment has evidently overlooked the feature of the President's message as to corporations holding stock in other corporations. I desire to offer a substitute, and I ask that it be printed.

The VICE-PRESIDENT. Without objection, it will be printed and lie on the table.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. McLAURIN. Mr. President, I offer an amendment to the bill.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add a new paragraph, as follows:

497½. Bagging for cotton, gunny cloth, and similar fabrics suitable for covering cotton.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Mississippi.

The amendment was agreed to.

Mr. ALDRICH. I ask that paragraph 497, which was passed over, be now agreed to.

The SECRETARY. Paragraph 497, page 198, binding twine, and so forth.

The VICE-PRESIDENT. The question is on agreeing to the paragraph.

Mr. BACON. I should like to take up another matter, with the permission of the Senate, before proceeding to that, and one that has been before the Senate several times.

Mr. NELSON. What is the paragraph the Senator from Rhode Island has called up?

Mr. ALDRICH. Paragraph 497; but the Senator from Georgia prefers to proceed with another paragraph.

Mr. BACON. I desire to state that I have an amendment pending to that paragraph, and that it was an amendment putting bagging upon the same footing as binding twine—each of them on the free list. I did not know the fact at the time I addressed the Chair, that that has been practically disposed of by the adoption of an amendment putting bagging upon the free list. Therefore I will withdraw the amendment which I had offered to that particular paragraph.

Mr. ALDRICH. Then we will proceed to consider paragraph 497.

The VICE-PRESIDENT. The Senator from Georgia withdraws his amendment to paragraph 497. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. ALDRICH. I ask that paragraph 123 be agreed to.

The SECRETARY. On page 35, paragraph 123, "hoop or band iron, or hoop or band steel," and so forth.

The VICE-PRESIDENT. The question is on agreeing to the paragraph.

Mr. CULBERSON. Mr. President, I have an amendment striking out that provision and putting cotton ties on the free list.

Mr. ALDRICH. If the Senate votes down my proposition to agree to this paragraph, then, of course, the Senator could move to put them on the free list; but I hope the paragraph will be agreed to.

Mr. CULBERSON. Very well; I will follow that course.

The VICE-PRESIDENT. The question is on agreeing to the paragraph.

Mr. OVERMAN. I have an amendment which I desire to offer. I hope the Senator from Rhode Island will accept it.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to amend paragraph 123, page 35, by inserting the following at the end of the paragraph:

Provided, That exporters of cotton which has been baled in the United States, and in the baling of which imported hoop or band iron, or hoop or band steel, commonly called cotton ties, for baling cotton, has been used, shall, upon satisfactory proof, under such regulations as the Secretary of the Treasury shall prescribe, that such imported hoop or band iron, or hoop or band steel, has been used in the baling of such cotton, have refunded to them from the Treasury the duties paid on the hoop or band iron, or hoop or band steel, so used in the baling of such exported cotton.

Mr. ALDRICH. That amendment ought not to be offered as an amendment to this paragraph. The amendment should be offered to the drawback provision of the bill.

Mr. OVERMAN. If the Senator thinks it had better come in at another place, I will defer it for the present. I hope the Senator will accept it.

The VICE-PRESIDENT. The question is on agreeing to paragraph 123.

The paragraph was agreed to.

Mr. ALDRICH. On page 68, line 6, after the word "color"——

Mr. OVERMAN. Will the Senator yield to me for a moment? I ask that the amendment I offered be printed and lie on the table, to be presented at the proper time.

The VICE-PRESIDENT. Without objection, the amendment will lie on the table and be printed. Without objection, the Senate will consider paragraph 193 on page 68.

Mr. CULBERSON. Before passing to paragraph 123 let me see if I understand the Senator from Rhode Island. My idea is the Senator agreed after that provision should be adopted there would be no objection to the presentation of my amendment to put it on the free list. That is the effect of the amendment, anyway.

Mr. ALDRICH. The effect of agreeing to it is to keep it on the dutiable list; but the Senator can move, of course, if he sees fit, to put it on the free list.

Mr. CULBERSON. I understand.

Mr. ALDRICH. On page 68, line 6, after the word "color," I move to add "one-half of 1 cent per pound and."

Mr. STONE. I did not quite catch that amendment.

Mr. ALDRICH. It adds a duty of half a cent a pound in addition to the existing duty on bottle caps.

Mr. STONE. In addition to the ad valorem duty.

Mr. ALDRICH. Yes; in addition to the ad valorem duty.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended is agreed to. The paragraph is agreed to.

Mr. BACON. If the Senator will pardon me a moment, I did not catch the full import of the amendment. Are these the caps dairymen use for bottles?

Mr. ALDRICH. No; they are bottle caps for champagne wines—high-priced caps.

Mr. BACON. I should certainly object to it if it did apply to them.

Mr. ALDRICH. It does not.

Mr. BACON. Because that is a matter of general and universal use.

Mr. SMOOT. The advance is made, I will say to the Senator, on account of the advance made in the duty on lead. Those caps contain about 95 per cent lead.

Mr. KEAN. In paragraph 189, page 65, line 3, after the word "movement," I move to amend by inserting "including time detectors."

The VICE-PRESIDENT. Without objection, the Senate will consider paragraph 189. The Senator from New Jersey offers an amendment, which will be stated.

The SECRETARY. On page 65, line 3, paragraph 189, after the word "movement," insert "including time detectors."

Mr. CULLOM. That is a good amendment. I hope it will be made.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended is agreed to.

Mr. ALDRICH. The amendment offered by the Senator from Mississippi [Mr. MCLAURIN] necessitates striking out paragraph 350 from the dutiable list.

The VICE-PRESIDENT. Without objection, the Senate will consider paragraph 350.

The SECRETARY. Page 122, paragraph 350——

Mr. ALDRICH. I ask that the paragraph be stricken from the bill.

The VICE-PRESIDENT. The Senator from Rhode Island moves that paragraph 350 be stricken out.

The motion was agreed to.

Mr. ALDRICH. I move to strike out paragraph 515. Broom corn has been put on the dutiable list, and this is to remove it from the free list.

The SECRETARY. Page 201, strike out paragraph 515.

The VICE-PRESIDENT. Without objection, the Senate will consider paragraph 515. The Senator from Rhode Island moves to strike out the paragraph.

The motion was agreed to.

Mr. CURTIS. I desire to call the attention of the chairman to paragraph 191, and to propose an amendment.

The SECRETARY. Page 67, paragraph 191, the paragraph inserted by the committee, zinc in blocks, and so forth.

The VICE-PRESIDENT. Is there objection to considering paragraph 191?

Mr. CURTIS. I move to strike out "one-third" and to insert "one-half," so as to read: "1½ cents per pound" for zinc in blocks or zinc dust.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. In the committee amendment inserted as paragraph 191, strike out "one-third" and insert "one-half," so as to read:

Zinc in blocks or pigs and zinc dust, 1½ cents per pound.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Kansas.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended is agreed to.

Mr. STONE. Mr. President, I desire to offer an amendment.

The VICE-PRESIDENT. To what paragraph?

Mr. STONE. A new paragraph.

The VICE-PRESIDENT. Without objection, the Senate will consider the amendment offered by the Senator from Missouri. It will be read.

The SECRETARY. In the free list it is proposed to insert as a new paragraph, to be known as "paragraph 625½," the following:

Iron ore, iron in pigs, iron kentledge, spiegeleisen, ferromanganese, scrap iron, scrap steel, bar iron, muck bars, square iron, rolled or hammered, round iron in coils or rods; iron in slabs, blooms, loops, or other forms; beams, girders, joists, angles, channels, and all other structural shapes of iron or steel; boiler or other plate iron or steel; iron or steel anchors or parts thereof; forgings of iron or steel, or of combined iron or steel; all forms of hoop, band, or scroll iron or steel; railway bars made of iron or steel, and railway bars made in part of steel, T rails, punched iron or steel flat rails; railway fish plates or spliced bars made of iron or steel; sheets of iron or steel, common or black, of whatever dimensions, and skelp iron or steel; all iron or steel sheets or plates, and all hoop, band, or scroll iron or steel; sheets or plates of iron or steel, polished or plated, by whatever name designated; steel ingots, cogged ingots, blooms, and slabs, by whatever process made; die blocks or blanks; billets and bars, and tapered or beveled bars, mill shafting, steel wool or steel shavings; iron or steel wire rods of every description; iron or steel wire of every description; axles, or parts thereof; axle bars, axle blanks, or forgings for axles, whether of iron or steel; blacksmith's hammers or sledges, track tools, wedges, and crowbars, whether of iron or steel; bolts and hinges, whether of iron or steel; cast-iron pipe of every description; cast-iron andirons, plates, stove plates, sad irons, tailor's irons, hatter's irons, and castings and vessels wholly of cast-iron; cast hollow ware of every description; chain or chains of all kinds made of iron or steel; iron or steel tubes, pipes, flues, or stays of every description, made of iron or steel; horseshoe nails, hobnails, cut nails, and cut spikes, of iron or steel, and all wrought-iron or steel nails, of whatever description; horse, mule, or ox shoes of wrought iron or steel; cut tacks, braids, or sprigs; crosscut saws, mill saws, pit and drag saws, circular saws, steel band saws, screws of all kinds made of iron or steel; wheels for railway purposes made of iron or steel, and steel-tired wheels for railway purposes, and iron or steel locomotive, car, or other railway tires or parts thereof; all the foregoing shall be admitted free of duty.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri.

The amendment was rejected.

Mr. ALDRICH. I now ask to take up paragraph 119.

The VICE-PRESIDENT. Without objection, the Senate will consider paragraph 119.

The SECRETARY. Page 33, paragraph 119, beams, girders, joists, angles, and so forth.

Mr. ALDRICH. The committee offer a modification of their former amendment.

The VICE-PRESIDENT. The Secretary will report the amendment offered by the Senator from Rhode Island on behalf of the committee.

The SECRETARY. On page 33, lines 22 and 23, strike out the words "three-tenths of one cent per pound" and insert in lieu thereof:

Valued at nine-tenths of 1 cent per pound or less, three-tenths of 1 cent per pound; valued above nine-tenths of 1 cent per pound, four-tenths of 1 cent per pound.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. CUMMINS. I intend to offer another substitute for that paragraph. I can defer it until after this amendment is acted upon. I can offer it just as well then.

Mr. ALDRICH. Certainly.

The VICE-PRESIDENT. The paragraph must first be perfected before a substitute will be in order. The question is on agreeing to the amendment offered by the Senator from Rhode Island.

Mr. BACON. The amendment has not been printed.

Mr. ALDRICH. No. It simply makes a change in the classification; that is all.

Mr. BACON. It does not make any change in the rates?

Mr. ALDRICH. It increases the rate on structural steel above $18 a ton from three-tenths to four-tenths.

Mr. BACON. It increases the rate.

Mr. ALDRICH. It increases the rate on structural steel above $18 a ton from three-tenths to four-tenths a ton, not over the Dingley law, but over the first suggestion of the committee. It is below the rates of existing law, but above the rates as suggested by the committee. The committee were satisfied that they had not classified structural iron properly. This is simply a change in classification, with no increase of rate above the present rate, but a reduction of one-tenth, from four-tenths to three-tenths, practically cutting the rate one-tenth, but making a better classification of both.

Mr. BACON. If I am correct in my understanding, this is the paragraph about which we had discussion——

Mr. CRAWFORD. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from South Dakota?

Mr. BACON. I wish to ask the Senator from Rhode Island a question. This is the same paragraph about structural steel we had under discussion some time ago.

Mr. ALDRICH. It is. Under the amendment as now suggested, structural steel valued at $18 a ton or less pays three-tenths, and structural steel which is not manufactured into forms above $18 a ton pays four-tenths, and all manufactured and put into form, window frames, and so forth, pay 45 per cent ad valorem.

Mr. CRAWFORD. I wish to ask a question.

Mr. BACON. I am undertaking to ask one, and I have not finished, but I will yield to the Senator if he desires.

Mr. CRAWFORD. This is the purpose of my question: As I understand, the amendment proposed now is a reduction of the amendment first reported by the Finance Committee.

Mr. ALDRICH. It is.

Mr. CRAWFORD. Because that was four-tenths a ton, I think, and this is three-tenths.

Mr. ALDRICH. It is three-tenths, and four-tenths was the first.

Mr. CRAWFORD. So that the amendment now proposed is lower than the first amendment.

Mr. ALDRICH. It is lower than the original amendment submitted by the committee.

Mr. BACON. I will state the point I was trying to get at when interrupted first by the Senator from Rhode Island and then by the Senator from South Dakota, so that I was not able to express myself clearly. The Senator will remember we had a discussion as to the classification of structural steel which had been cut to lengths and put into a class in itself, and there was an increase of duty.

Mr. ALDRICH. Not cut to lengths, but manufactured into forms. The amendment as it was originally reported from the committee, as suggested by the Senator from South Dakota, placed all structural steel not made up into forms, not manufactured, at four-tenths of a cent, and all that was manufactured at 45 per cent ad valorem.

Mr. BACON. That is what I had reference to.

Mr. ALDRICH. The present amendment makes all plain forms of steel three-tenths, valued at $18 a ton and less, and those that are valued above $18 a ton four-tenths, and leaves the steel manufactured into forms at 45 per cent ad valorem, which is a reduction of one-tenth on the structural steel valued at less than $18 a ton from the original report of the committee.

Mr. BACON. I have been trying my best to get the Senator to let me tell him what I wanted to find out. When I stated cut to lengths that was an improper expression. I meant put in forms for building. Does this amendment relate to that?

Mr. ALDRICH. No; it leaves that at 45 per cent ad valorem.

Mr. BACON. That is the question I was trying to ask.

Mr. ALDRICH. I beg pardon. That is left at 45 per cent ad valorem.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended is agreed to.

Mr. ALDRICH. Now, the Senator from Iowa [Mr. CUMMINS] has an amendment to offer to the paragraph as a substitute, I think.

The VICE-PRESIDENT. The Senator from Iowa offers a substitute for the paragraph.

Mr. CUMMINS. Mr. President, before I send the substitute to the desk, I desire to say that I have certain amendments to more than this single paragraph, and it has been understood that at this time I might offer amendments to all the paragraphs which concern what is known as "tonnage steel." I should like the attention of the Senator from Rhode Island just a moment in order to ascertain whether my understanding is in accord with his. I desire at this time to offer certain amendments to all these paragraphs which, in my opinion, embrace what is known in the trade as "tonnage steel." I already indicated them to some extent in the very beginning of this debate. I should like to know now whether the Senator from Rhode Island will put the paragraphs in such a position as that I may offer the amendments to them.

Mr. ALDRICH. I assured the Senator on Saturday, I think it was, that I would do it, and I am quite willing. I think the amendments might as well be disposed of now as in the Senate.

Mr. CUMMINS. I think so. Then, Mr. President, it is understood that the parliamentary situation is such that the amendments I now offer can be considered. The paragraphs to which I desire the amendments are to be reconsidered for that purpose. That is the understanding, and with that understanding I will proceed very briefly.

It is obvious that the duties imposed on iron and steel ought to bear some relation to each other as the product is advanced in manufacture. I therefore offer first a substitute for paragraph 116, which is the paragraph relating to pig iron and scrap iron and steel. My substitute is as follows:

116. Iron in pigs, iron kentledge, spiegeleisen, and ferro-manganese, $1.50 per ton; wrought and cast scrap iron and scrap steel, 50 cents per ton; but nothing shall be deemed scrap iron or scrap steel except waste or refuse iron or steel which, having at one time been advanced in manufacture to the final form for use and having been used, has by such use become unfit for further use and has become fit only to be manufactured.

It will be observed that this reduces the duty on pig iron to a dollar and a half a ton, and it reduces the duty on scrap iron to 50 cents a ton. That is the duty placed on it by the House. I have endeavored to eliminate the difficulty with respect to the commingling of pig iron or new iron with worn-out waste of iron and steel. I believe the definition I have given here separates absolutely the new from the old, and it does not include, as was suggested by the Senator from Pennsylvania the other day, the scrap that is produced in the manufacture of iron and steel. I can see very good reasons why such scrap iron and steel should bear the same duty as pig iron. I say nothing further with respect to it.

I begin with pig iron and put a duty on it of a dollar and a half a ton, which is ample to protect it, and which is now almost twice as much as the difference between the cost and the selling price of pig iron in this country and in England. There is not now more than 80 cents difference between the market price of pig iron in England and in the United States, and I think that when we put a duty of a dollar and a half a ton we have amply protected the manufacturer of that product.

Mr. ALDRICH. I wondered if the Senator would be willing to put all his amendments together and have them voted on? This one has been voted on, as the Senator knows, and it would save time greatly if the Senator would put in his amendments and have them voted on as a whole.

Mr. CUMMINS. As soon as I have gone through them, which I will do in a very few minutes, I intend to offer them as a whole, and if the Senate is willing, to let it vote on them as a whole, because they are, as I hope, parts of a harmonious whole and are properly related to each other.

I also offer an amendment to paragraph 118, which relates to round iron in coils or rods. I ask to reduce the duty from six-tenths of 1 cent per pound to four-tenths of 1 cent per pound, or $8 a ton.

I might as well say here that we have proceeded with a good deal possibly of misunderstanding in discussing the duties upon iron and steel. We assume that a ton of iron and steel is 2,000 pounds. As a matter of fact iron and steel in commerce are sold by the long ton, and the duty is therefore correspondingly increased; that is, when the duty is calculated on 2,240 pounds it is more, naturally, than when calculated upon a ton of 2,000 pounds.

I also amend, in line 11 of paragraph 118, that provision which relates to iron in slabs, blooms, loops, or other forms less finished than iron in bars by reducing the rate from four-tenths of a cent per pound to one-fourth of a cent per pound.

I say again, with respect to these items, that the duties I have proposed are more than the difference between the market price of these products in the United States and in our rival countries.

I also move to strike out paragraph 119 that was just before the Senate and concerning which the Senator from Georgia [Mr. BACON] made inquiry.

My substitute is as follows:

119. Beams, girders, joists, angles, channels, car-track channels, tees, columns and posts or parts or sections of columns and posts, deck and bulb beams, and building forms, together with all other structural shapes of iron or steel, whether plain, punched, or fitted for use, assembled and manufactured, three-tenths of 1 cent per pound.

Now, if I may have the attention of the Senator from Georgia for a moment, I think I can elucidate the difficulty which he experienced a moment ago. The amendment just offered by the Senator from Rhode Island to this paragraph does, indeed, reduce the duty upon certain structural forms of iron and steel as compared with the original report, but the difficulty with the report is that it eliminated originally all the structural iron and steel, or substantially all of it, in the form in which it is sold and bought, and increased the duty upon that phase of the product nearly or wholly 50 per cent as compared not with the report, but as compared with the Dingley law.

Now, structural iron and steel is bought after it has been manufactured; it is bought after it has been punched; it is bought after it has been assembled; it is bought after it has been riveted together; and therefore when the committee eliminates all such forms from the paragraph and attaches to them a duty of 45 per cent ad valorem, it has increased the duty upon this, the very largest product of our iron and steel mills, with the exception of steel rails. It increases the duty from $10 a

ton, as it is in the Dingley law, to $16 a ton, as it is in this report.

If there was any reason for that, I would not complain. But let us compare just a moment the structural iron and steel so assembled and so manufactured with some other product that has reached about the same stage in development. Structural iron and steel bear substantially the same relation in its original form to the ingot that the steel rail bears to the ingot. It is rolled and produced in substantially the same way. It then must be punched and assembled or manufactured, as it is so said. What additional price or cost is added to this form of steel by that process? It is well known to every man who has inquired anything about this subject that steel rails are worth in the market $28 a ton. What is structural steel assembled and manufactured worth? It is worth about $35 a ton. That is all the difference between iron and steel rails and structural iron and steel, a difference of $7 a ton, and that represents the entire cost of the labor put upon the product in addition to that which has been bestowed upon steel rails. Yet what do you see? You see iron and steel rails with a duty, as reported by the committee, of $3.50 a ton, though they are worth $28 a ton, and you see structural iron and steel inflicted or imposed with a duty of $14, $15, or $16 a ton, although they are worth about $7 a ton and more in the open market.

It seems to me there can be no defense for such a discrimination. We are buying a great deal of structural iron and steel in these days. It is a product as necessary to our development as are the steel rails. Why then do you put a duty of 45 per cent ad valorem upon this form, recognizing at the same time that another form, which costs only $7 a ton less, shall bear a duty of $3.50 a ton.

You will not be able to answer that question, Senators, when it is asked of you in the future; much more will it become difficult when it is known that structural iron and steel commands in the English market a price of not to exceed $3 a ton less than it commands in our market. It is selling there now at about the same price as it sells in our own market, and yet to protect it you are about to put upon it a duty of $14, $15 or $16 more a ton if the price shall rise to $40 a ton or more. It is indefensible, and in order that it shall bear the proper relation to other forms of iron and steel I have offered these amendments. I also offer an amendment to paragraph 124.

The VICE-PRESIDENT. As part of the same amendment? Does the Senator desire that to be considered as a part of the whole scheme or as a separate amendment?

Mr. CUMMINS. I am willing that they shall all be consided together, unless some Senator desires to separate them.

The VICE-PRESIDENT. The Senator will have the opportunity to determine.

Mr. CUMMINS. Because this arrangement is proportionate throughout. It relates these duties as they ought to be related, as I view the question.

My next amendment is in paragraph 124. The change is to reduce the duty on steel rails from seven-fortieths of a cent per pound to six-fortieths of a cent per pound—that is, from $3.50 a ton to $3 a ton—and to reduce the duty on fish plates and splice bars from two-tenths of a cent to seven-fortieths of a cent per pound.

My next amendment relates to iron or steel sheets, common steel sheets, and it is to reduce the duty correspondingly. I need not take the time of the Senate in reading it. I propose a substitute for paragraph 134, which relates to steel and iron rods. I am trying to save the committee the humiliation of attaching a higher duty to the steel rod than it attaches to a subsequent product of the steel rod.

I also offer an amendment to paragraph 160, which relates to wire nails. I have attached a duty to wire nails not less than 1 inch in length and not lighter than No. 16 wire gauge of two-fifths of a cent per pound, and less than that of one-half of a cent per pound. This increases the duty originally reported by the committee $3 a ton, and leaves the small nails at the same point.

I also offer a new paragraph with regard to barbed wire. I know that the Senator from Nebraska [Mr. BURKETT] has rendered to the farmers of this country a conspicuous service, and one which will be appreciated by them, in already securing the reduction from about $50 a ton to $15 a ton, but it is nevertheless still twice as much as it ought to be. There is no possible defense in putting the duty on barbed wire at a higher point than the duty on wire nails or cut nails, and they are both, according to my amendment, left at $8 per ton.

Mr. President, these are my amendments, and I now present them.

The VICE-PRESIDENT. Is there objection to considering the amendments offered by the Senator from Iowa as one amendment? The Chair hears none. The Secretary will state the amendments.

The SECRETARY. The amendments proposed by Mr. CUMMINS to Schedule C are as follows:

Paragraph 116. It is proposed to strike out paragraph 116 and substitute the following:

116. Iron in pigs, iron kentledge, spiegeleisen, and ferromanganese, $1.50 per ton; wrought and cast scrap iron and scrap steel, 50 cents per ton; but nothing shall be deemed scrap iron or scrap steel except waste or refuse iron or steel which, having at one time been advanced in manufacture to the final form for use, and, having been used, has by such use become unfit for further use, and has become fit only to be remanufactured.

Paragraph 118. In line 7 of paragraph 118 strike out the word "six-tenths" and insert "four-tenths;" and in line 11 strike out the word "four-tenths" and insert "one-fourth."

Paragraph 119. Strike out the paragraph and substitute the following therefor:

119. Beams, girders, joists, angles, channels, car-truck channels, tees, columns and posts or parts or sections of columns and posts, deck and bulb beams, and building forms, together with all other structural shapes of iron or steel, whether plain, punched, or fitted for use, assembled and manufactured, three-tenths of 1 cent per pound.

Paragraph 124. Strike out of line 22 the word "seven-fortieths" and insert "six-fortieths;" and to strike out of line 23 the word "two-tenths" and insert "seven-fortieths."

Paragraph 125. Strike from line 2, page 36, the word "five-tenths" and insert "three-tenths;" and strike from line 4 the word "six-tenths" and insert "four-tenths."

Paragraph 129. In line 16, after the word "blanks," insert the words "two-tenths of 1 cent per pound."

Paragraph 134. Strike out lines 3, 4, 5, 6, 7, and the word "pound" in line 8, and substitute therefor the following:

134. Round iron or steel wire, not smaller than No. 13 wire gauge, valued at not more than 2½ cents per pound, three-tenths of 1 cent per pound; smaller than No. 13 and not smaller than No. 16 wire gauge, valued at not more than 3½ cents per pound, five-tenths of 1 cent per pound; smaller than No. 16 wire gauge, and valued at not more than 4 cents per pound, three-fourths of 1 cent per pound.

It is also proposed to insert, after the word "wire," in line 8, on page 41, the words "not herein specially provided for."

Paragraph 160. Strike out the paragraph and the committee amendments thereto and insert the following:

160. Wire nails made of wrought iron or steel, not less than 1 inch in length and not lighter than No. 16 wire gauge, two-fifths of 1 cent per pound; less than 1 inch in length and lighter than No. 16 wire gauge, one half of 1 cent per pound.

Insert as a new paragraph, 160½, as follows:

160½. Barbed wire for fencing, two-fifths of 1 cent per pound.

The VICE-PRESIDENT. The question is on agreeing to the amendments proposed by the Senator from Iowa [Mr. CUMMINS].

Mr. CUMMINS. I ask for the yeas and nays on the amendments.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. SIMMONS (when his name was called). I am paired for the day with the junior Senator from Illinois [Mr. LORIMER]. If he were present, he would vote "nay." I should vote "yea."

The roll call was concluded.

Mr. CLARK of Wyoming. I have a general pair with the Senator from Missouri [Mr. STONE]. I transfer that pair to the junior Senator from Wisconsin [Mr. STEPHENSON] and vote. I vote "nay."

Mr. DANIEL. I am paired with the Senator from Maine [Mr. FRYE]. If he were present, he would vote "nay," and I should vote "yea."

Mr. BACON (after having voted in the affirmative). I had forgotten at the time I cast my vote that I had agreed for the present with the Senator from Rhode Island to stand paired with the Senator from Maine [Mr. HALE]. I therefore withdraw my vote. I presume, if present, the Senator from Maine would vote "nay." I should vote "yea."

Mr. SCOTT. My colleague [Mr. ELKINS] is on his way to the Chamber, but has not yet arrived. He is paired with the Senator from Texas [Mr. BAILEY]. If he were here, my colleague would vote "nay."

Mr. NELSON. My colleague [Mr. CLAPP] is unavoidably absent from the Chamber. If he were present, he would vote "yea."

Mr. CURTIS. I desire to announce that the Senator from Nevada [Mr. NEWLANDS] is paired with the Senator from Connecticut [Mr. BULKELEY], and that the Senator from Arkansas [Mr. CLARKE] is paired with the Senator from Delaware [Mr. RICHARDSON].

The result was announced—yeas 31, nays 40, as follows:

YEAS—31.

Bankhead	Cummins	Gore	Owen
Borah	Curtis	Hughes	Shively
Bristow	Davis	La Follette	Smith, S. C.
Brown	Dolliver	McLaurin	Stone
Chamberlain	Fletcher	Martin	Taliaferro
Clay	Foster	Money	Taylor
Crawford	Frazier	Nelson	Tillman
Culberson	Gamble	Overman	

NAYS—40.

Aldrich	Crane	Johnson, N. Dak.	Perkins
Bradley	Cullom	Jones	Piles
Brandegee	Depew	Kean	Root
Briggs	Dick	Lodge	Scott
Burkett	Dillingham	McCumber	Smith, Mich.
Burnham	Dixon	McEnery	Smoot
Burrows	Flint	Nixon	Sutherland
Burton	Gallinger	Oliver	Warner
Carter	Guggenheim	Page	Warren
Clark, Wyo.	Heyburn	Penrose	Wetmore

NOT VOTING—21.

Bacon	Clarke, Ark.	Johnston, Ala.	Simmons
Bailey	Daniel	Lorimer	Smith, Md.
Beveridge	du Pont	Newlands	Stephenson
Bourne	Elkins	Paynter	
Bulkeley	Frye	Rayner	
Clapp	Hale	Richardson	

So the amendments of Mr. CUMMINS were rejected.

Mr. ALDRICH. I ask that the paragraph be agreed to.

The VICE-PRESIDENT. Without objection, paragraph 119 is agreed to as amended.

Mr. ALDRICH. And all the other paragraphs.

The VICE-PRESIDENT. All the others were agreed to. The vote did not affect them.

Mr. ALDRICH. I ask to return to paragraph 470.

The VICE-PRESIDENT. Without objection, the Senate will consider paragraph 470.

Mr. ALDRICH. In paragraph 470, after the word "paper," in line 5, I move to insert "or lace." The habit has sprung up of late of importing lace on umbrellas. This is to obviate that.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 187, paragraph 470, relating to umbrellas, parasols, and so forth, in line 5, after the word "paper" and before the comma, it is proposed to insert the words "or lace."

Mr. BACON. Will the Senator permit me to ask him what is the effect of the amendment including the words "or lace?"

Mr. ALDRICH. It makes them pay duty.

Mr. BACON. Is the lace dutiable under another paragraph?

Mr. ALDRICH. The habit has sprung up lately of importing lace upon umbrellas, and it is for the purpose of preventing that.

Mr. BACON. In other words, the lace will be dutiable under another paragraph.

Mr. ALDRICH. Under the lace paragraph, instead of under this paragraph.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. I ask to return to paragraph 186.

The VICE-PRESIDENT. Without objection, the Senate will consider paragraph 186.

Mr. ALDRICH. In paragraph 186, on line 23, after the word "plated," I move to insert the words "with gold or silver."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 62, paragraph 186, line 23, after the words "not plated," it is proposed to insert "with gold or silver" before the comma.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. On page 221, paragraph 708½, in line 6, I move to strike out the words "briar root or briar wood and."

The VICE-PRESIDENT. Without objection, the Senate will return to paragraph 708½.

Mr. ALDRICH. I ask that the words "briar root or briar wood and" be stricken out. These were put upon the dutiable list upon the motion of the Senator from West Virginia [Mr. SCOTT].

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 221, in paragraph 708½, in the committee amendment, in line 6, it is proposed to strike out the words "briar root or briar wood and."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MARTIN. Mr. President, while we are on that paragraph, there is a small amendment that I think ought to be added in reference to red cedar. As the paragraph stands, it can be imported hewn or round. I want the provision so amended that it may be imported hewn, sided, squared, or round—just the addition of the words "sided, squared."

Mr. ALDRICH. Mr. President, I am not sure about the description. Red cedar certainly ought not to be put on the free list if it is in the shape of lumber; otherwise, we would be admitting cedar lumber free in all forms. If there can be a description of cedar which the Senator——

Mr. MARTIN. It is limited to red cedar——

Mr. ALDRICH. "Red cedar" may include all cedars, for all cedars are more or less red.

Mr. MARTIN. The amendment that I offer is after the word "only," in line 5, to strike out the semicolon and insert a comma, and then add after the comma the words "and red cedar (Juniperus Virginiana) timber, hewn, sided, squared, or round: *Provided*, That it is not used in the original shape in which it is brought in."

Mr. ALDRICH. The words "*Provided*, That it is not used in the original shape" would not do, because it could not be used, to begin with, in the original shape in which it is brought in.

Mr. MARTIN. Very well; let those words be stricken out. The amendment was sent to me in that shape. Those who are in the business suggested it, and the proposed amendment follows the language used in several other places in reference to other commodities. For myself, I do not see how it can be effective. So I will leave out the words "*Provided*, That it is not used in the original shape in which it is brought in," and let the amendment stop at the end of the word "round."

Mr. ALDRICH. I have no objection to the amendment going in, and the committee will later examine it.

Mr. MARTIN. I am sure that when the committee examines it it will see that the amendment is desirable.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 221, line 5, at the end of the line, after the word "only" and before the semicolon, it is proposed to insert a comma and the words "and red cedar (Juniperus Virginiana) timber, hewn, sided, squared, or round."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. In paragraph 521, on page 201, I move to strike out the words "catgut, whip gut, or worm gut" and insert "animal intestines."

The VICE-PRESIDENT. Without objection, the Senate will consider paragraph 521. The amendment will be stated.

The SECRETARY. On page 201, paragraph 521, line 9, strike out the words "catgut, whip gut, or worm gut" and insert the words "animal intestines."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. I think that completes all the paragraphs that have been passed over, except the one in relation to cotton. The Senator from Georgia [Mr. BACON] has an amendment in reference to that, I think.

Mr. BACON. I ask that the amendment which I propose to paragraph 541 may be read.

The VICE-PRESIDENT. Without objection, paragraph 541 will be considered by the Senate. The Secretary will state the amendment.

The SECRETARY. After the word "cotton," in line 2, insert "having fiber or staple not less than 1⅛ inches in length."

Mr. ALDRICH. I would suggest to the Senator from Georgia, as he intends to follow this, I suppose, with an amendment on the dutiable list, that he offer his amendment to the dutiable list and have a direct vote upon that.

Mr. BACON. I prefer to do it in this way.

Mr. ALDRICH. It amounts to the same thing, take it one way or the other.

Mr. BACON. That depends. If the Senator will consent or, rather, should it be determined to put it upon the dutiable list, it will be time enough then to determine what the duty should be. I hope I may have the attention of the Senate, because I am sure that there are some matters that I wish to present to it which are not generally known, or to which, at least, it has not had its attention attracted.

The VICE-PRESIDENT. Will the Senator from Georgia give his attention to the amendment, so that the Secretary may be certain that the amendment has been correctly stated? The Secretary will restate the amendment.

The SECRETARY. After the word "cotton," and before the comma, insert "having fiber or staple not less than 1⅛ inches in length."

Mr. BACON. That is right.

The VICE-PRESIDENT. The word "not" is correct?

Mr. BACON. Yes. I am not going to be long, Mr. President, and I should like to have the attention of the Senate. I can not have it, if there is so much conversation.

The VICE-PRESIDENT. Senators will please cease conversation.

Mr. BACON. Mr. President, the paragraph as it now stands in the bill puts all cotton on the free list. The purpose of the amendment is to remove long-staple cotton from the free list. So far as relates to the common article of cotton, that which is generally known as the "commercial cotton" of the country, it is entirely proper and in accordance with the wishes of those who are most interested in cotton that it should be on the free list. I suppose ninety-nine one-hundredths or more of all the cotton that is raised is of the common upland variety, and there is no disposition——

Mr. FLETCHER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Florida?

Mr. FLETCHER. I merely want to suggest to the Senator that I do not think the amendment has been stated as he intended.

Mr. BACON. Yes; it has.

Mr. FLETCHER. It was read "not less than 1⅛ inches."

Mr. BACON. Yes.

Mr. FLETCHER. I think it should be, "having fiber or staples less than 1⅛ inches."

Mr. BACON. The Senator is correct about it. The word "not" ought not to be in there. I have it here correctly written in the copy before me without the word "not," but at the moment of the inquiry I was confused.

The VICE-PRESIDENT. The amendment will be corrected by the Secretary.

Mr. BACON. I wrote it originally in the way the Senator from Florida suggests.

I repeat, Mr. President, that the provision of the bill which puts the common article of cotton on the free list is one which meets with the entire approval of all those who are interested in cotton, and it is not proposed to change that. The common article of cotton, known to the commercial world generally as "cotton," ought to be on the free list, and if there were a proposition to put it upon the dutiable list, it would be resisted.

The Senate will remember that when the proposition was made to put cotton-seed oil upon the dutiable list it was objected to by Senators representing the section of the country interested in that product on the ground that there is little or no importation of it, and that it would be a delusion and a sham to put it upon the dutiable list. For that reason this amendment proposes to state the duty in such a way that any effort to remove it to the free list can not apply to the common article of cotton, of which there are some 13,000,000 bales made annually, whereas as to another kind of cotton, there are less than 100,000 bales made in the entire country; that is, estimating the amount by the 500-pound bale as a standard.

It may be a matter of some little interest and somewhat of surprise to the Senate to know that in the year 1907—the date of the last Statistical Abstract—there were, in round numbers, 210,000 bales of what is known as "long-staple" cotton imported into the country. It is a class of cotton which is not used at all for the ordinary manufactures of cotton. It is used only in the manufacture of very high-class goods, such as cotton laces, a very high grade of knit underwear, and things of that kind. Almost every pound of the Egyptian cotton goes to one section of the country—New England. I do not suppose a single pound of it comes south of New York City; certainly not, unless it is to New Jersey and possibly Pennsylvania.

Mr. ALDRICH. Mr. President, I have to call the Senator's attention to the fact that he gave me a letter from the Bibb Manufacturing Company, in which they stated that they had a plant costing a million dollars engaged in the production of fine yarns from Egyptian and other long-staple cottons.

Mr. BACON. Mr. President, I did not read the letter.

Mr. ALDRICH. That statement could be amplified indefinitely for every part of the South and every part of New England.

Mr. TILLMAN. Will the Senator yield to me for a suggestion?

Mr. BACON. Let me go on for just a few moments.

Mr. TILLMAN. I simply want to suggest that this is not a sectional matter.

Mr. BACON. I know that.

Mr. TILLMAN. And the fact that some New England mills use it and other southern mills use it has nothing to do with the tariff.

Mr. BACON. Mr. President, I have never read the letter which I handed to the Senator, and the Senator knows the circumstances under which I gave it to him. I presume it is a fact that goods of the class manufactured in the factory to which he alludes are made entirely of domestic long-staple cotton. It would be very foolish for them, when such cotton is raised in Georgia, to import it from Egypt for the purpose of making that class of goods.

Mr. ALDRICH. But the long-staple cotton raised in Georgia does not and can not take the place of the Egyptian cotton, as the Senator ought to know.

Mr. BACON. Very well; I withdraw that part of my statement, if the Senator desires. I want to call attention, though, to the quantity and the class of this cotton. In giving quantities I shall use the term "bales," meaning by that 500 pounds; for that is generally understood as the standard of a bale of cotton, although the long-staple cotton is not put up in bales of that weight. Reducing the figures to bales of that standard, there were imported into the United States in 1907, in round numbers, 210,000 bales of cotton of this class, about four-fifths of which came from Egypt, and is known as the "Egyptian long-staple cotton," which, as I am informed by cotton experts in New York, varies in length of staple from 1⅛ to 1⅜ inches. That is the cotton out of which the class of goods I have spoken of is made—laces, fine knit underwear, and high-class goods of all kinds. One-fifth of the cotton comes from Peru, and is not the same kind of cotton at all. It is described by the New York experts as a rough, crinkly cotton, which is not used at all in cotton manufactures, but is used altogether in wool manufactures. It is imported into this country and mixed with wool. It is not used in any cotton factories.

There is the situation—210,000 bales imported, four-fifths of the total being the Egyptian cotton, which goes into high-class cotton goods, and one-fifth of it being the Peruvian cotton, which goes altogether into woolen goods.

When the Dingley bill was before the Senate I offered an amendment proposing a duty of 20 per cent upon that class of cotton. It passed the Senate and went into the conference committee, where it was rejected. I have added up the importations of cotton between the time that amendment was offered by me and the year 1907 and the value of the same, according to the Statistical Abstract. I find that if that amendment had stood there would to-day have been in the United States Treasury $20,000,000 more than there is. And if the imports of 1908 and 1909 have been the same each year as they were in 1907 there would have been in the Treasury nearly $30,000,000 more than there is to-day. And I want to add that if the duty I then proposed were now imposed on long-staple cotton, and if the same amount is imported hereafter as was imported in the year 1907, approximately $40,000,000 of revenue will be derived from it in the next ten years.

The other day, when an effort was made to put grain sacks and guano sacks on the free list, the Senator from Rhode Island was very much disturbed by the suggestion, made by himself, that to do so would deprive the Government of a large amount of revenue. I want to say that if the Senator was simply opposing the grain-sack matter on account of revenue, there is an opportunity here, by the adoption of this amendment and by putting a proper revenue duty upon this cotton, of making up certainly a very large part of what would be lost if the duty were removed from grain sacks. I hope the Senator will reconsider and put grain sacks on the free list, and make up the loss in revenue this way.

While I am not going to speak at all elaborately upon this point, I wish to call attention to the fact that certain duties are imposed upon all the great staples of the country; and I wish to call attention to the amount of revenue that it is estimated will be received therefrom. I take these figures from the Book of Estimates the Finance Committee has furnished us. The revenue from barley, with an ad valorem duty of 53.64 per cent are placed at $3,544 annually; from corn, with an ad valorem of 23.96 per cent, the revenues are estimated at $1,897 annually; from oats, with an ad valorem duty of 43 per cent, the revenues are estimated at $7,425; from rice, which has a very high duty, 62.66 per cent, the revenue is placed at $539,081; from rye, with an ad valorem duty of 25 per cent, the revenue is estimated at $31.50; from wheat, with an ad valorem duty of 34.62 per cent, the revenue is placed at $5,742. Therefore, from those six great staples, the entire estimated revenue is $557,720.

The value of the 210,000 bales of cotton that I have referred to is $19,930,988—or, in round numbers, twenty millions of

dollars. A duty of 20 per cent upon that would yield to the Government a revenue of $4,000,000 a year. Four million dollars a year is, in round numbers, eight times as much as the revenue on barley, corn, oats, rice, rye, and wheat, all put together. I think that that is a pretty good showing as a revenue proposition.

Mr. ALDRICH rose.

Mr. BACON. If the Senator will pardon me a moment, I am nearly through.

Mr. ALDRICH. Mr. President——

Mr. BACON. I will hear the Senator now if he prefers to have me.

Mr. ALDRICH. If we should put an excise tax of 10 cents a pound on raw cotton, the amount of revenue to be derived would be much greater than what the Senator now suggests.

Mr. BACON. Yes; but that is not a pertinent suggestion, Mr. President, and I shall not reply to it. It is not a pertinent suggestion; and I am sure that no Senator within the sound of my voice will deny that it is not a pertinent suggestion, or claim that I am not right in not replying to it.

As I said, Mr. President, an importation of this cotton to the value of $20,000,000 a year, with a revenue duty of 20 per cent—which everyone will admit is a reasonable revenue duty—would yield $4,000,000 a year. Now I want to call attention to something which may impress Senators with the discriminations that exist here. The importation of cotton is in value about half of the entire importation of wool; and if you were to put the same duty on long-staple cotton that you put on wool, you would have a revenue of $9,000,000 a year. What an outcry there would be if there were a suggestion at this time of putting wool upon the free list, and how much we would hear, as we heard on Saturday, when the proposal was made to put grain sacks on the free list, about the destruction of the revenues of the Government.

I should not be in favor of putting the same duty upon long-staple cotton that is put upon wool, because I regard the latter as a protective duty. But I should be glad to see wool and long-staple cotton put upon the same basis as far as a legitimate, reasonable, revenue duty is concerned. There is no reason in the world that can be urged in favor of a revenue duty upon wool that can not be urged with equal strength in favor of a revenue duty upon long-staple cotton. In each case, of course, it adds to the expense of manufacture. In each case the duty upon it necessarily enhances the price of the goods thus manufactured. That is, it enhances the price provided the article is not protected by a tariff so high, as I think I can show to be the case with cotton manufactures, that there is no excuse for any increase of the price.

I want to call the attention of the Senator from Rhode Island [Mr. ALDRICH] to the statement I am about to make, and I hope I may also have the attention of the senior Senator from Iowa [Mr. DOLLIVER], because I may have to appeal to him, before I get through, on one proposition. I know the argument the Senator from Rhode Island will use against the imposition of this revenue duty. The same argument was made twelve years ago, and the Senator has made the same argument to me in private.

Mr. ALDRICH. Mr. President, I was not in the Senate twelve years ago when this paragraph was adopted; that is, I was not present. So the Senator is mistaken about the argument I made twelve years ago.

Mr. BACON. The Senator was not in the Senate?

Mr. ALDRICH. I was not present, I think, when this matter came up.

Mr. BACON. I did not say the Senator made the argument twelve years ago, though I think he did; but I mean that it was made by those who opposed the duty. The Senator from Rhode Island and the then senior Senator from Iowa, Mr. Allison, were the Senators in charge of the bill and actively engaged in its consideration, and I think the Senator from Rhode Island was present. However, I may be mistaken about that.

The argument to which I refer is that to impose a revenue duty upon long-staple cotton will necessitate an increase of the duty upon the class of goods into which that cotton goes in process of manufacture; and that if a duty is put upon long-staple cotton, it will be necessary to raise the rate of duty now imposed upon cotton laces and the high-class cotton goods that are made out of Egyptian cotton.

My reply to that argument is this: I do not think it is a good argument in any particular; but it is particularly not a sound argument in this case, for the reason that in this bill the duties upon cotton goods of that particular class have been raised so high that, as fixed already in the bill, they would cover any proper revenue duty that might be imposed upon the raw material employed in their manufacture.

The Senator from Iowa [Mr. DOLLIVER], in the remarkable speech he made upon this subject, demonstrated that proposition, as to the tremendous increase which has been made in the duty upon cotton goods of that class. It was up then to about 60 per cent; and there was, under that range of duties, more than full room for the imposition of a proper revenue duty upon the material used in their manufacture. But since then, Mr. President, within the last two or three days the Senator from Rhode Island, with the facility which he enjoys to the exclusion of everyone else in the Senate, sent to the desk a little slip of paper an inch deep and the width of a page, increasing these duties 10 per cent and making them 70 instead of 60 per cent. Therefore I say there can be no possible excuse for the contention that the imposition of this duty would necessitate an increase of the duty on the manufactured goods.

If 20 per cent duty upon the long-staple cotton is too much, make it lower. I am not standing on that. I am not now proposing any hard and fast duty, but I am using that by way of illustration. The question here is simply this: Shall long-staple cotton be free or shall it be dutiable? If it is to be dutiable, the question as to what the duty shall be will come up later.

What I have said about Egyptian cotton is equally true of Peruvian cotton. Peruvian cotton has no competitor in this country. Egyptian cotton has a very slight competitor. In the entire United States less than 100,000 bales of this long-staple cotton are produced. It is of a different variety from the other cotton. It is, in fact, a different plant; it has a different seed; it is ginned by a different process.

Mr. DOLLIVER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Iowa?

Mr. BACON. I do.

Mr. DOLLIVER. I would be glad if the Senator would state why more of this cotton is not made. The price seems to be almost twice that of the other cotton. Are there any geographical limitations?

Mr. BACON. There are geographical limitations upon it, and I am glad the Senator asked my attention to it. I was born and reared as a child in a section of country where they made no other cotton except the sea-island cotton—our long-staple cotton. I never saw the article commonly known as "cotton"—that is, the upland cotton—until I was 14 or 15 years of age, when I went to the upcountry. This cotton was originally grown on the seacoast of South Carolina, Georgia, and Florida. Latterly it has been introduced in some degree into the interior, but it has to be within the influence of sea air. It can not be grown outside of certain geographical limitations. When you get a certain distance from the seashore it can not be grown successfully. That, I think, is the answer.

Mr. DOLLIVER. Is all the productive territory now occupied? Would it be possible by the imposition of duties to enlarge the production?

Mr. BACON. I do not know that it would, and I do not ask it for the purpose of enlarging it. I will say to the Senator it is a plant different in its growth from the ordinary cotton. It has an extremely small boll. I can recollect when I was a child it was considered that the women were better adapted to picking the cotton than the men, because their fingers were smaller and they could the more easily get into the boll.

I do not know that its production would be increased. It is not a plant so easily cultivated as the other. It is not so productive as the other, and I doubt very much if there is any more money—in fact, I am quite confident there is no more money—in the raising of this cotton than in the raising of the other, because of the difficulties in its cultivation and the less product there is with a given amount of labor and a given area of territory.

When I was interrupted by the Senator from Iowa I was proceeding to say so far as Peruvian cotton is concerned, of which there is imported about one-fifth of the entire import of foreign product, that there is no competitor whatever in this country for it. There is no cotton raised in the United States that takes the place of the Peruvian cotton. It is a coarse cotton. As described in the language of the New York experts who have given me the information, it is a "crinkly" cotton, and is known as "vegetable wool." It is commonly called "vegetable wool," and is used only in admixtures with wool in the manufacture of woolen goods.

What I said about the high prices of these cotton goods applies to the prices of the woolen goods into which the Peruvian cotton goes. No question of protection can come in there, because there is no cotton of the kind raised in the United States or anywhere else that I know of except in Peru, and some forty or fifty thousand bales of that cotton come into this country free of duty, which has no competitor in the United States;

that is estimating the bales at the standard of 500 pounds, although the bales are not of this standard.

Mr. TILLMAN. What does it sell at?

Mr. BACON. I do not know; but I think it is probably worth more than sea-island cotton. It is a longer staple; I will not say longer staple. The average of the Egyptian cotton, as given to me by New York experts, is about one and a half. The minimum is one and one-eighth, running from one and one-eighth up to one and five-eighths.

My informants say:

Rough Peruvian has strong, rough, crinkly staple, 1⅛ to 1½ inches long.

There is not much difference in the staple of that and long-staple cotton, but there can be, as to that, no possible ground of criticism upon it as a strictly revenue article.

Mr. TILLMAN. What is the staple of the Egyptian cotton?

Mr. BACON. Egyptian, one and one-eighth to one and five-eighths. I will state that this information I get from a cotton firm in New York, which is entirely reliable. The Peruvian is from 1⅛ to 1½ inches long.

I repeat that, so far as the Peruvian cotton is concerned, there can be no possible criticism upon the proposition to put it upon the dutiable list with any purpose to have any protective influence, because there is none raised in the United States, and it is not used for any purpose for which any American cotton is used. It is purely that much, forty or fifty thousand bales coming into this country every year, used by the wool manufacturers, which they get free of duty, at a time when in this bill woolen goods composed in part or in whole of wool, which would include goods with this Peruvian admixture, are fixed at over 100 per cent, and from that up to 140 per cent.

Mr. President, I repeat that I am not now asking for the imposition of any duty. I think this foreign long-staple cotton is a proper subject of revenue, and therefore I have separated it from any question of the amount of duty, and I have just simply brought up squarely the question whether it shall be on the free list or the dutiable list.

Mr. MARTIN. I should like to ask the Senator from Georgia a question. Does the Senator think this duty, if imposed, would increase the cost to the consumers of certain classes of cotton fabrics?

Mr. BACON. I have answered that. I suppose the Senator was not in the Chamber.

Mr. MARTIN. I was not.

Mr. BACON. I will repeat it. I called attention to the fact that that was the objection urged against it, and I called attention to the fact that the kind of fabrics in the manufacture of which this long-staple cotton is employed were not common cotton goods at all. It is used only in making laces and in high-grade goods of that kind—very high grade knit underwear, and possibly some of the very highest class of cotton manufactures, but nothing of the common sheeting or shirting.

Mr. MARTIN. Mr. President——

Mr. BACON. If the Senator will pardon me for a moment, I called attention to the fact that while that might be an objection under ordinary circumstances that in this particular bill, as had been shown by the Senator from Iowa in his speech, the class of cotton goods in which this Egyptian cotton goes is a class of goods which in this bill has had a duty imposed upon it, I think, of 40 or 50 per cent higher than ever before. In other words, it has gone up to 60 per cent, and within the last three days the Senator from Rhode Island has by an amendment put a duty of 70 per cent upon it. So there is opportunity for the manufacture of these goods, with this rate of duty, without giving them free raw material and without increasing the price to the consumer if they do not have free raw material.

Mr. ALDRICH. If the Senator from Virginia will wait until the Senator from Georgia has concluded his remarks, I will undertake to answer the question in a very different way from that in which the Senator from Georgia has answered it.

Mr. MARTIN. I want to get a satisfactory opinion, if I can, from the Senator from Georgia. If I understand him correctly, he admits that this duty would increase the cost to the consumer of certain kinds of material.

Mr. BACON. I do not admit it at all. On the contrary, I deny it.

Mr. MARTIN. Even on the fine fabrics—laces—the prices will not be increased?

Mr. BACON. I do not say the prices will not be increased; but they ought not to be.

Mr. MARTIN. I want to know what the legitimate effect will be.

Mr. BACON. The legitimate effect of it would be that the prices would not be increased, because the rates of duty have been fixed so high that they do not need free raw material. That is the reply.

Mr. MARTIN. Then the opinion of the Senator from Georgia is it will not tend to increase prices?

Mr. BACON. Certainly not, unless they abuse the opportunity given them by the amendment of the Senator from Rhode Island.

Mr. MARTIN. Did the Senator ever know a manufacturer to fail to abuse such an opportunity?

Mr. BACON. That may be. I am rather inclined to think they will abuse it whenever they have the opportunity. But that is no reason why the interests of the Government, to say nothing of the interests of anybody else, should be sacrificed. The same thing would apply to wool or any other raw material. If the Senator is in favor of all free raw materials, the argument is good; if not, it is not. There is no reason why one raw material should be given to the manufacturer free on the ground that if he does not have it he would abuse his opportunity to raise prices unless the same argument is applied to all others.

Mr. ALDRICH. I think the speech of the Senator from Georgia is rather an extraordinary one. I was curious to see what argument the Senator would adduce for the imposition of this duty. The Senator says there are 100,000 bales of long-staple cotton produced in the United States.

Mr. BACON. Less than that.

Mr. ALDRICH. Less than that. It is entirely produced in three States—in Georgia and South Carolina and Florida. He says that the area can not be increased, and that the production can not be increased largely.

Mr. BACON. I did not say it could not be.

Mr. ALDRICH. Well, probably it could not be. If the Senator will permit me——

Mr. BACON. I will state, in order that the Senator may have it accurately, that it can not be enlarged beyond a certain distance from the seashore.

Mr. ALDRICH. I supposed, of course, the Senator from Georgia was going to ask for the imposition of this duty merely for protective purposes under the guise of a duty for revenue only; but it seems that there is no protection in it, according to the Senator's statement. It is only a question of imposing 4 cents a pound on Egyptian cotton. Now, Egyptian cotton does not compete with the cotton produced in the United States in color and in texture. It has a use of its own, and the long-staple cotton raised in Georgia, South Carolina, and Florida does not compete and can not compete in the large part of uses with the Egyptian cotton at all. Egyptian cotton, as the Senator says, is used in the manufacture of laces. There are very few laces made in the United States.

The rates which are imposed under the amendment which I suggested a few days ago are not upon such laces as are made in the United States, and not a pound of Egyptian cotton imported into the United States is used at all in the manufacture of that class of laces. Egyptian cotton goes into fabrics of all kinds where the particular color and particular texture and particular length of staple are necessary. It is used in the development and diversification of cotton making in every State in the Union. It is used very largely in the Senator's own State, and it will be used very largely in the State of South Carolina, because in the manufacture of certain fabrics in common use they are obliged to buy Egyptian cotton.

I make this proposition: That a duty of 4 cents a pound on Egyptian cotton would be added to the cost of Egyptian cotton imported in the United States. There is no competition here. Every cent of it will be added to the cost of the cotton that is imported, and every cent of it will be added to the cost of the fabrics which are made from cotton. It is mixed with the cotton grown in all the cotton-growing States of the Union.

Mr. BACON. Does the Senator mean to say that Egyptian cotton is mixed with common cotton out of which common sheeting and shirting is made?

Mr. ALDRICH. It is very often mixed. I have very great confidence in the Senator's judgment, and I do not believe——

Mr. BACON. Does the Senator say that it is used in common sheeting and shirting? Does the Senator say that?

Mr. ALDRICH. I have not made any statement of that kind.

Mr. BACON. The Senator did say it.

Mr. ALDRICH. I did not. I could not have said it.

Mr. BACON. The Senator then says that is not?

Mr. ALDRICH. That is an impossible question to answer. The Senator might as well ask me if 2 and 2 make 6.

Mr. BACON. Very well. The fabrics made from Egyptian cotton do not correspond with the cotton used in common sheeting and shirting.

Mr. ALDRICH. I have made the statement that Egyptian cotton is used in fabrics in common use. I repeat that. There

is no woman in the State of Georgia to-day, probably, who is not wearing garments that are made from long-staple cotton, from Egyptian and other cotton of that size. It is in use in every family in the State of Georgia. The duty will be added to the cost. There is no escape from it. It will add to the cost of every pound of Egyptian cotton brought to the United States and to the cost of every article made of Egyptian cotton. For what good? For protection? No; the Senator from Georgia is not willing to admit that it is for protection. The Senator from Georgia has voted consistently and persistently for free wool and for free everything else.

Mr. BACON. The Senator is mistaken.

Mr. ALDRICH. Did not the Senator vote for free wool in 1894?

Mr. BACON. I did not. I was not in Congress at that time.

Mr. ALDRICH. In 1897 he voted for free wool.

Mr. BACON. I have no recollection of doing so.

Mr. ALDRICH. I have no question but that the Senator voted for free wool in 1897.

Mr. BACON. I voted in accord with the views I then had and still have for duties that would bring revenue for the support of the Government, and so I cast my vote.

Mr. ALDRICH. As far as I know, the Senator has always voted consistently, as I said, and persistently for a repeal of duties on everything.

Mr. BACON. I am glad to be so considered.

Mr. TILLMAN. Mr. President——

Mr. ALDRICH. Now, the Senator for some reason or other creates an impression——

Mr. BACON. If the Senator from South Carolina will pardon me, I will say that I have been urged to vote for a higher rate of duty upon this article than I would agree to do.

Mr. ALDRICH. Urged by whom?

Mr. BACON. By some of those who are interested in it.

Mr. ALDRICH. Who is interested in it?

Mr. BACON. The cotton growers.

Mr. ALDRICH. Do the cotton growers think——

Mr. BACON. If I may be permitted to proceed——

Mr. ALDRICH (continuing). Every duty on cotton is not a protective measure? I thought the Senator from Georgia declined to offer a protective duty for the people he represents here. I should say that 4 cents a pound is a pretty large duty on cotton myself, especially upon manufactures produced in the United States, where the duty will impose an additional cost upon everybody who buys cotton goods.

Mr. TILLMAN. Mr. President——

Mr. ALDRICH. I will yield to the Senator.

Mr. TILLMAN. Mr. President, I have been on the floor for the last fifteen or twenty minutes.

Mr. BACON. I beg the Senator's pardon.

Mr. TILLMAN. Perhaps I know more about sea-island cotton than the Senator from Georgia.

Mr. BACON. If the Senator wants to give me light, I will be glad to see.

Mr. TILLMAN. I want to help you out, if I can, and enlighten you a little, if that be possible. I have myself grown two crops of sea-island cotton and seen it picked and sold. The Senator from Georgia has had nothing to do with sea-island cotton except, possibly, to see it along a railroad in southeast Georgia since his boyhood.

I know the land adapted to the cultivation of sea-island cotton in southeast Georgia, running inland, say, 30 miles from the sea, and on the Florida Peninsula. I believed I could make a million or two bales of that cotton. But the caterpillar got away with it for me. I left Florida after having grown two crops of sea-island cotton. The first year I got 55 cents a pound. That was in 1867. The second year I got a dollar a pound. How much did I make? The caterpillars came the 4th day of July. I had a prospect of 10 bales on about 30 acres. On Saturday evening I rode over the field, and, like the milkmaid with the pail on her head, I calculated my profits. On Monday morning there was not a leaf or a square or a boll that had not been stripped clean. I made just 1 bale on the 30 acres. I decided to go back to South Carolina.

Now, coming to the question——

Mr. ALDRICH. I was trying to make this speech myself, as I believe I have the floor.

Mr. TILLMAN. I will yield the Senator the floor. It belongs to him, anyhow.

Mr. ALDRICH. I can not conceive how the Senator from Georgia, with his well-known views upon all these subjects, can possibly ask the Senate to adopt a protective duty or high duty upon an article not produced in the United States when he says himself it can have no effect upon the producers in the United States.

When this matter was up in the Senate before, the Senator from Georgia had a colloquy with the Senator from Texas, in which both Senators agreed that there was a duty upon cotton in all the earlier years, and it was taken off for the benefit of the manufacturers. Now, let us see what the facts were in that respect: The duty on cotton was first placed in the act of 1816 by Mr. Calhoun and his associates. It remained upon the dutiable list until 1846. The Senator from Georgia has himself had printed as a document Mr. Robert J. Walker's well-known report upon the act of 1846, and I want to show to the Senate how the duty upon cotton came to be taken off and who took it off. Mr. Walker says in that report:

> Accompanying the drawback of the duty on cotton bagging should be the repeal of the duty on foreign cotton, which is inoperative and delusive and not desired by the domestic producer.

That is the gentleman who had the duty taken off.

Mr. BACON. Will the Senator allow me?

Mr. ALDRICH. Not now; wait a minute. He is the gentleman who had the duty removed from cotton. It was this Democratic Secretary of the Treasury, who has been appealed to so constantly by Senators upon the other side as the great apostle of Democratic tariff, and it was the act of 1846, which has also been appealed to by the Senator from Georgia and by the Senator from Texas as the model tariff, that took the duty off of cotton, because it was inoperative and delusive and not desired by the producer. It was taken off by the vote of every Democratic Senator and every Democratic Representative in 1846, after having been on the dutiable list from 1816 to 1846.

Mr. BACON. Will the Senator permit me?

Mr. ALDRICH. No; not now. It reappeared again. When? It reappeared in 1867, when the cotton of the South had been sent to Europe and was coming back to this country. It had belonged largely to southern planters or to the southern confederacy and was coming back here, and it was decided by Congress to put a revenue duty upon cotton. Cotton was then worth 36 to 40 cents a pound. It was put on and stayed on until 1872, when it was taken off, and it has been on the free list ever since. So there never has been an attempt by any Democratic Congress or by any Democratic representative, except the Senator from Georgia, to reimpose this duty upon cotton. There can not be a plainer case where a duty must be sought to be imposed, because there is no other sensible hypothesis upon which a Senator can ask to have the duty imposed, because it will either protect the few people, few or greater, I do not know how many, who are engaged in raising sea-island cotton in the three States mentioned. There is no justification for it as a revenue duty. If it is imposed, it will add 5 or 6 cents a pound to the cost of every article and every fabric in which sea-island cotton is used, because nothing can take the place either in color and in texture and in length of staple. Why should the Senate of the United States be asked to impose this duty of 4 cents a pound or 30 per cent ad valorem upon this article which is not made in the United States, which can not be made here, and which, with the limited amount of importations, would be simply added to the cost of the fabrics made in this country?

Mr. BACON. Mr. President, I am entirely familiar with the extract from Mr. Walker's report which was read by the honorable Senator.

Mr. ALDRICH. But the Senator could not have been——

Mr. BACON. Pardon me a moment. I tried to interrupt the Senator and he would not let me. I will not be equally ungracious to the Senator, however; I will yield to him in a moment. I simply want to reply to the suggestion of the Senator that loyalty to the teachings of R. J. Walker requires that we should not now advocate this duty, because, as stated by R. J. Walker in his celebrated paper, it was a delusion and a snare. Will the Senator turn me to the page he read from?

Mr. ALDRICH. I was reading from the original report. I was not reading from the reprint.

Mr. BACON. Very well; that is it practically.

Mr. ALDRICH. It is on the sixth page of his report as Secretary of the Treasury of 1845.

Mr. BACON. Mr. President——

Mr. TILLMAN. I call attention to the fact that at that time there was no Egyptian cotton.

Mr. BACON. I am trying my best to show——

Mr. TILLMAN. I will not interrupt the Senator again. He gets fidgety when a Democrat gets up to help him. I will not bother him any more.

Mr. BACON. I am sorry to have irritated the honorable Senator. I had no such desire.

If the conditions were now as they were when R. J. Walker wrote his report, the same thing would be true as was then stated by him.

Mr. ALDRICH. Will the Senator allow me?

Mr. BACON. Yes; I will be more gracious than the Senator was in refusing to permit me to interrupt him.

Mr. ALDRICH. Does the Senator think if there had been any Egyptian then in existence Mr. Walker would have recommended a protective duty on cotton?

Mr. BACON. I do not say a protective duty, but he would have recommended a revenue duty. I want the Senator to bear in mind that I simply want the question settled now whether it shall come in free; and if it is settled it shall not come in free, I should be opposed to any high duty upon it or any protective duty. I should only be in favor of a legitimate revenue duty.

I want to call attention to certain figures on the line of the suggestion of the Senator from South Carolina [Mr. TILLMAN]. I regret that I should have inadvertently said anything which was distasteful to him; I had no such design. The Walker report was in 1846.

Mr. ALDRICH. Eighteen hundred and forty-five.

Mr. BACON. It is generally known as 1846, because the tariff law, in pursuance of its recommendations, was passed in 1846. The report was made the 1st of December, 1845. The Senator is correct about that. It is always spoken of in connection with the tariff which was passed in the succeeding year. December, 1845, was the time of Mr. Polk's message, and within a few days thereafter there came in the report of R. J. Walker, Secretary of the Treasury.

Now, we have statistics here in the Statistical Abstract of the imports of cotton in the year of 1840 and in the year of 1850. We have them not, I think, for 1845. In the year 1840 the value of cotton imported into the United States was $11,281 and in 1850 it was $12,521. So we may say that in 1845 it was about the same amount.

Now, Mr. President, with the importations of $10,000 or $12,000 worth of cotton, of course to impose a duty on it was just like it is to impose a duty on corn, an absolute sham and fraud, intended to deceive those who are tickled with the idea that they are getting some benefit from it.

So far from that being the case now, there are, as I said, 210,000 bales of cotton brought into this country every year, worth $20,000,000, half the amount in value of the imports of all the wool brought into the country.

Mr. ALDRICH. Will the Senator allow me?

Mr. BACON. With pleasure.

Mr. ALDRICH. The Senator from Georgia and the Senator from Texas have called attention to this report as a masterly document which laid down the principles upon which a tariff should be constructed. Does the Senator from Georgia think that Mr. Walker's principles were determined by the amount of importations?

Mr. BACON. I will read what I do not think has been read, although reference has been made to the Walker report several times, the cardinal principles upon which R. J. Walker thought should be based the framing of a tariff bill. I will read them. There are six.

First—

Of course, the first one is a matter of economy—

First. That no more money should be collected than is necessary for the wants of the Government, economically administered.

Second. That no duty be imposed on any article above the lowest rate which will yield the largest amount of revenue.

Third. That below such rate discrimination may be made, descending in the scale of duties, or, for imperative reasons, the article may be placed in the list of those free from all duty.

Fourth. That the maximum revenue duty should be imposed on luxuries.

Fifth. That all minimums and all specific duties should be abolished and ad valorem duties substituted in their place, care being taken to guard against fraudulent invoices and undervaluation, and to assess the duty upon the actual market value.

Sixth. That the duty should be so imposed as to operate as equally as possible throughout the Union, discriminating neither for nor against any class or section.

I agree to each and all of these principles; and the sixth is a principle which I think is a vital one in the framing and imposition of a tariff.

Mr. ALDRICH. As I now understand the Senator, Mr. Walker's report and tariff are conclusive upon Democrats when it happens to meet their views at the present moment, but if it happens to be contrary to their views at the present moment it is obsolete.

Mr. BACON. Quite the contrary. I think I can stand upon every one of those six propositions, and I think I can defend any vote I have cast in the Senate by one or the other of these six propositions without exception. If I have cast a vote in the Senate for what I recognized as a protective duty, it was only under the circumstances which I mentioned the other day, in voting for a duty proposed by some certain Republican here, not because it was as low as I thought it ought to be, but because it was lower than the Senator from Rhode Island thought it ought to be and lower than he was trying to get the Senate to impose. But wherever the opportunity was offered to me to decide between a revenue duty and a protective duty, never have I failed in any instance to refuse to vote for a protective duty, and in no instance will I fail to refuse to vote for it.

Mr. TALIAFERRO. Mr. President, a part of this long-staple cotton is grown in Florida, and the people there, I should like to say for the benefit of the Senator from Rhode Island, make no concealment of the fact that they would like to have some protection on their cotton. They contend and they believe that the Egyptian cotton comes in competition with their cotton. They believe that the two are mixed, and that in some instances the Egyptian cotton is substituted for the long-staple product of this country.

The Senator from Georgia [Mr. BACON], I understand, has proposed an amendment that does not contemplate protection, but simply a revenue; and when he does it, the Senator from Rhode Island singularly enough invokes the Walker report against him. The Senator has not constructed a bill here under the Walker report, and what the people of the long-staple sections of the country want to know is why every product in the section north of us that has a competitor in foreign products has a duty in this bill, and this product of the South is utterly and entirely ignored and neglected. The Senator from Georgia has shown that a very low duty on this Egyptian cotton would yield a very large revenue to the Government, and he has also shown that the Egyptian cotton enters into the manufacture of the fabrics that carry the very highest protective rates under the bill. Under the circumstances it seems remarkable that the contention should be made that this product has no place properly in the bill.

I know that the rate the Senator from Georgia originally proposed would not be protective, but the producers of long-staple cotton in the South are living under a protective tariff and they are producing under a protective tariff which many of them estimate costs them about 30 per cent more to produce than it would cost them without such a tariff. Yet the foreigner, according to the contention of the Senator from Rhode Island, must be allowed to bring his cotton in here in competition with the products of this country without contributing one cent to the revenues for the support of this Government.

For my part, I do not understand the contention. I think it is an eminently proper product to be provided for in this bill, and especially on the basis that has been suggested by the Senator from Georgia, at a rate of duty which, while not even protective, would yield a large revenue to the Government.

Sometime ago the legislature of Florida passed a memorial requesting the representatives from that State to support a provision for a duty on long-staple cotton. That legislature made no hesitation in asking for the duty, protective or otherwise, and the people make no concealment of the fact that they are suffering from foreign competition. We are not here asking that a prohibitive duty be written in the bill. We ask that the amount which has been suggested by the Senator from Georgia, I think it was 5 cents a pound originally, be placed on Egyptian cotton.

Mr. BACON. And the Peruvian.

Mr. TALIAFERRO. And the Peruvian; on long staple generally. When, as I said before, it is considered that this cotton enters into the manufacture of the most expensive products that are used by the people of this country, products which carry in some instances more than 100 per cent duty, the raw material should not be utterly and entirely ignored. I think that the amendment of the Senator from Georgia should prevail, and I hope, Mr. President, that it may.

Mr. TALIAFERRO subsequently said: Mr. President, I ask that the memorial of the legislature of the State of Florida to which I have referred may be printed in the RECORD in connection with my remarks.

The VICE-PRESIDENT. Without objection, that will be done.

The memorial referred to is as follows:

Memorial to the Congress of the United States, asking that a duty of at least 10 cents per pound be levied on all importations of Egyptian and other long-staple cotton brought into the United States as raw material.

Whereas the present price of long-staple or sea-island cotton is below the standard of profitable production and has so been for some years past, causing a large area of our State to be uncultivated and our farming interests to languish; and

Whereas the policy of protection to American interests, if to be continued, should embrace within its fostering care the tillers of the soil, who are now and must ever be the mainstay of our republican form of government; and

Whereas the long-staple or sea-island cotton grown in this country is used exclusively in the manufacture of the finer fabrics, such as

laces, and so forth, and a duty upon the Egyptian cotton and other foreign long-staple cottons would therefore be no burden upon the poor, but would only affect those well able to bear it, and at the same time would greatly encourage a large portion of our farming population; and

Whereas we believe that the levy of such a duty would materially aid in building up our factories engaged in the manufacture of the finer cotton fabrics, while at the same time protecting our farmers from the pauper labor of Egypt: Therefore be it

Resolved, That it is the sense of this legislature that a duty of 10 cents per pound on all Egyptian and other long-staple cottons imported into the United States should be levied by Congress.

Resolved further, That our Senators and Representatives in Congress are hereby earnestly requested to use all honorable means to accomplish this end: Be it further

Resolved, That the secretary of state is hereby requested to furnish each of our Senators and Representatives in Congress with a certified copy of this memorial.

Approved May 23, 1905.

(Laws of Florida, 1905, pp. 448–449.)

Mr. FLETCHER. Mr. President, I had occasion some time ago to discuss this matter, and I will not repeat at any length the data which I then laid before the Senate.

The proposition now is to remove cotton of fiber or staple more than 1⅛ inches in length from the free list. If that amendment is adopted and no further action is taken, this long-staple cotton, the fiber of which will exceed in length 1⅛ inches, would be placed in what we call the "basket clause," and bear a duty of 20 per cent ad valorem, or, as the Senator from Rhode Island has suggested, about 4 cents a pound.

Mr. President, there can be no question, I think, that Egyptian cotton does come into competition with the long-staple or sea-island cotton grown in South Carolina, Florida, and Georgia. If it does not come in direct competition, it certainly displaces in the mills of this country the long-staple or sea-island cotton. The people who are interested and those engaged in the industry are thoroughly convinced there is direct competition with Egyptian cotton.

The amount produced in this country last year was 87,000 bales. The amount of sea-island cotton exported last season was 32,383 bales. This amount of cotton would have been used unquestionably in this country by the mills here, if it had not been replaced with the Egyptian long-staple cotton. The amount of Egyptian cotton imported into this country last year was 71,000,000 pounds, or 143,490 bales of 500 pounds each. A rate of duty of 20 per cent ad valorem would mean $2,840,000, which would come into the Treasury of the Government if that rate of duty is imposed upon Egyptian long-staple cotton. That much would be derived from the duty on the Egyptian importation alone. In addition to that, we would get the revenue derived from the duty on the importations from other countries.

There is no doubt in the world, Mr. President, that not a pound of Egyptian cotton would be kept out of this country by imposing a duty of 4 cents a pound upon it. The duty would be paid, and the Treasury would get the benefit of the duty. It can not be urged with any sort of justification that that rate is a protective duty. It could not be dreamed of as a prohibitive duty. The Treasury of the country would derive a revenue approaching $3,000,000 annually if this duty were put upon the importation of Egyptian long-staple cotton. There can be no doubt about that.

If the amount of duty would be added to the price of the cotton to the spinner, the answer as to that is: This would not necessarily increase the price of the products manufactured from that cotton, because, evidently, the manufacturers have already discounted this duty and have increased the rates upon every single item in this bill the products of which could be manufactured out of long-staple cotton.

Every item of mercerized silk or of cotton goods containing long-staple cotton, including those products where this long-staple cotton is used, like automobile tires, like laces, extra-length thread, like the higher-priced cotton goods; all those articles have been protected to the extent of from 54 to 70 per cent in this very bill, and there should be no occasion and no justification for the increase of the price of those products to the consumer by the manufacturer; in other words, if you permit this kind of cotton to come into this country free of duty, you are simply doing what the manufacturers desire to have done, namely, furnishing to them their raw material free. It is an additional benefit to the manufacturers, and the Treasury of the country is deprived of that much revenue.

I shall not enlarge on the question of free raw material. It has been thoroughly discussed in this body, and on our desks this morning is the able speech of the Senator from Texas [Mr. BAILEY] on that subject, which he exhausts in a magnificent and splendid argument, and I simply refer to it as applying just as much to long-staple cotton as it applies to wool or iron ore or hides or lumber or any of the other articles mentioned by him in that argument.

In reply to the Senator from Iowa, who asked the question why it is that, since this cotton brings nearly twice as much in the market as the short-staple cotton, there is any complaint about the price to the grower, I wish to say that the Senator from Iowa will understand that it costs a great deal more to produce the long-staple cotton than to produce the short-staple cotton. It is practically a twelve-months' crop. It takes a longer time to grow it; it requires longer and more cultivation; it requires more time to mature; it costs a great deal more to pick it; it costs tremendously more to gin it and prepare it for market. So, even though the price is practically twice the price of short-staple cotton, the cost to the producer is more than twice the cost of the short-staple cotton. The hearings before the Ways and Means Committee demonstrate that it costs practically $21.50 per acre to cultivate and produce the crop, and the yield is about 100 to 150 pounds to the acre. That is the average yield. The quotation now at Savannah is about 22 cents per pound.

Mr. President, I shall not dwell upon the question as to whether it would afford protection to the cotton growers. The Senator from Georgia [Mr. BACON] has not based this amendment upon any such theory. If he had, he should have asked for at least 10 cents a pound upon the importation of the long-staple or Egyptian cotton. I know it is useless to urge that.

There is this to be said further with regard to the recommendation in the Walker report: That not only was there no Egyptian cotton imported into this country at that time, but that the development in Egypt is of but recent origin. England is to-day opening up the fertile valley of the Nile and building dams for irrigation and reclamation purposes, and in a comparatively few years from two to five million acres of the richest land on earth will be open to the cultivation of this kind of cotton, and then the importations into this country will greatly increase.

Labor in Egypt costs from 10 to 20 cents a day, while in this country, as is well known, it costs from a dollar to a dollar and a half a day. The importations will increase, unquestionably, and you will not stop a single pound even if you place this duty at from 5 to 8 cents a pound instead of at 4 cents, as contemplated by this amendment.

Further than that, Mr. President, as my colleague [Mr. TALIAFERRO] has observed, I think it proper to call the attention of the Senate to the memorials of the legislature of Florida. In 1899 the legislature of Florida memorialized Congress as follows:

Memorial 1.

Memorial to our Senators and Representatives in Congress in reference to a duty on Egyptian or long-staple cotton or the importation thereof.

Whereas the present price of long-staple or sea-island cotton is now far below the cost of production, causing a large area of our State to languish and a once profitable industry to wane and die; and

Whereas the low price referred to is not due to overproduction, as is demonstrated by the fact that for a crop of 104,557 bales in 1896 and in 1897 the average price for the grade of "fine" was 11 cents, while the last crop, 75,000 bales only, or 25 per cent less than the year previous, and the average price for the grade of "fine" was 2 cents less, or 9 cents per pound; and

Whereas the indisputable cause for our low prices, financial depression, and agricultural discontent is found in the annually increasing importation of Egyptian cotton, the product of pauper labor; and

Whereas the Democratic party and people have not deemed it derogatory to their principles and interests to have a duty placed on wool, pineapples, citrus fruits, and tobacco; and

Whereas the placing of said duty on the above-mentioned articles has proven a direct benefit to our people and with which protection they would not part without a struggle; and

Whereas there are but two ways whereby the money necessary to maintain the National Government can be raised, and since the funds derived from internal revenue are insufficient even when made onerous and burdensome, as they now are; and

Whereas we are forced from the nature of things to depend on a tax laid upon goods and products imported into this country from foreign countries to raise funds to assist in the support of the Government: Therefore be it

Resolved, That it is the sense of this legislature that a tariff should be laid for revenue only and arranged so that if it shall prove a burthen all may equally bear it, if a benefit it may be equally shared.

Resolved further, That we are unalterably opposed to the free importation of Egyptian or other long-staple cotton.

Resolved, That we favor an import duty of 50 per cent ad valorem and 5 cents per pound on all long-staple cotton imported into the United States, and that a copy of these resolutions be furnished each of our Senators and Representatives at Washington.

In 1905 the legislature of Florida again memorialized Congress, as follows:

Memorial 2.

Memorial to the Congress of the United States asking that a duty of at least 10 cents per pound be levied on all importations of Egyptian and other long-staple cotton brought into the United States as raw material.

Whereas the present price of long-staple or sea-island cotton is below the standard of profitable production and has so been for some years past, causing a large area of our State to be uncultivated and our farming interests to languish; and

Whereas the policy of protection to American interests, if to be continued, should embrace within its fostering care the tillers of the soil, who are now and must ever be the mainstay of our republican form of government; and

Whereas the long-staple or sea-island cotton grown in this country is used exclusively in the manufacture of the finer fabrics, such as laces, etc., and a duty upon the Egyptian cotton and other foreign long-staple cottons would therefore be no burden upon the poor, but would only affect those well able to bear it, and at the same time would greatly encourage a large portion of our farming population; and

Whereas we believe that the levy of such a duty would materially aid in building up our factories engaged in the manufacture of the finer cotton fabrics, while at the same time protecting our farmers from the pauper labor of Egypt: Therefore be it

Resolved, That it is the sense of this legislature that a duty of 10 cents per pound on all Egyptian and other long-staple cottons imported into the United States should be levied by Congress.

Resolved further, That our Senators and Representatives in Congress are hereby earnestly requested to use all honorable means to accomplish this end: Be it further

Resolved, That the secretary of state is hereby requested to furnish each of our Senators and Representatives in Congress with a certified copy of this memorial.

—

STATE OF FLORIDA,
Office of the Secretary of State, ss:

I, H. Clay Crawford, secretary of state of the State of Florida, do hereby certify that the foregoing are true and correct copies of memorials to the Congress of the United States as passed by the legislature of Florida, sessions 1899 and 1905, respectively, as shown by the original enrolled resolutions as filed in this office.

Given under my hand and the great seal of the State of Florida, at Tallahassee, the capital, this the 11th day of November, A. D. 1908.

[SEAL.] H. CLAY CRAWFORD,
Secretary of State.

I submit those resolutions as expressing the sentiments of the people of Florida upon this question. I shall heartily support the amendment of the Senator from Georgia, and submit it, as it can unquestionably be defended, as a pure revenue proposition. It would yield to this country something like $3,000,000 annually in revenue. If you refuse to adopt this amendment, you simply give the manufacturer some more raw material; the consumers of the manufactured products will get no benefit, and the revenues of the Government will suffer that loss.

Mr. NEWLANDS. Mr. President, I am not in favor of a large free list. I believe that the free list should be confined to a limited number of the necessaries of life. I do not regard long-staple cotton as a necessary of life, and I shall be glad, therefore, to vote to take it off the free list. I understand that that action will result, if no further action is taken, in the imposition under the general clause in this tariff bill of a duty of 20 per cent on long-staple cotton, and that that duty will yield about $3,000,000 annually. I believe that duty will be too high. I do not think it fair to impose the one-hundredth part of the burden of the customs duties of the country upon this particular product, and I shall vote to take this product off the free list upon the assumption that a motion will then be made to reduce this duty and to make it 10 or 15 per cent.

Mr. President, in my votes thus far I have been controlled by the principle which I have declared, except where I have been controlled by the platform. I have voted for free lumber against my judgment, because the national platform declared for free lumber. I voted for free iron ore because I felt satisfied that the iron ore of the country was under the control of a great trust, and our platform declared—though I was against that specific plank—that trust-controlled products should be put upon the free list. I voted for a duty of 15 per cent on hides, because there was no instruction in the platform regarding it, and because I did not believe that hides in this country were under the control of a trust. So, pursuing this line of action, I shall vote to take long-staple cotton off the free list and put it upon the dutiable list.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. BACON].

The amendment was rejected.

Mr. ALDRICH. Mr. President, so far as I know, this completes the dutiable paragraphs and the paragraphs of the free list. I think, however, the Senator from South Carolina [Mr. TILLMAN] has an amendment which he desires to offer.

Mr. TILLMAN obtained the floor.

Mr. CLAY. Just one moment.

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from Georgia?

Mr. TILLMAN. I do.

Mr. CLAY. Mr. President, the vote was taken rapidly and without a roll call on the amendment offered by my colleague [Mr. BACON]. I desire to state that the legislature of my State in joint session passed a resolution instructing the Senators from Georgia to vote in favor of that amendment or in favor of an amendment of a similar character, and I voted in favor of the amendment.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. The Senator from Oklahoma.

Mr. GORE. Mr. President, I desire to submit an amendment, to be numbered 653½.

The VICE-PRESIDENT. The amendment proposed by the Senator from Oklahoma will be stated.

The SECRETARY. On page 205, after line 8, it is proposed to insert as a new paragraph the following.

653½. All text-books imported for use in the public schools of any State, Territory, district, or municipality in the United States, or imported for use in any college or university maintained in whole or in part by local or federal taxation, shall be admitted free of duty. And the Secretary of the Treasury is so authorized to prescribe suitable rules and regulations to carry this provision into effect.

Mr. GORE. Mr. President, this is one instance in which the consumer is not a myth. He is a living, breathing, human being made of flesh and blood. There are 17,000,000 families in the United States. There are 17,000,000 school children enrolled in the public schools of this country. We raise, by taxation, $343,000,000 annually to maintain the public schools that exist throughout the 46 States and the Territories. I have no statistics upon the subject, but I doubt not that $100,000,000 are spent annually in the purchase of text-books.

The duty on print paper, from which schoolbooks are generally manufactured, is from $10 to $12 a ton. If this amendment were adopted and if it reduced the price of schoolbooks in this country, it would lift a burden from the backs of 17,000,000 families. If this amendment would reduce the price of schoolbooks, it would remove an obstacle from the path of 17,000,000 school children, who make their daily pilgrimage to the district school.

If this amendment would not reduce the price of schoolbooks, it would inflict no injury upon the manufacturers either of wood pulp or of print paper. In my own judgment, if it injured anybody at all, it would injure only the text-book trust of the United States, which, in my opinion, is the most heartless, the most ruthless, the most pitiless, and among the most tyrannical trusts known to our financial, commercial, or industrial system, as suggested by a Senator near me.

Mr. President, in offering this amendment I am actuated by the same motive which inspired me to submit an amendment to place on the free list building materials entering into the construction of school buildings, colleges, and universities; in presenting this amendment I am actuated by the same motive which impelled me when I voted to place wood pulp and print paper upon the free list.

Intelligence and morality constitute the only foundation upon which an enlightened, self-governing Republic can be firmly established or permanently maintained. I cast my vote for any measure which has for its object the general diffusion of intelligence and information among the masses of our people, regarding it as an additional guaranty of the perpetuity and the glory of our republican institutions. In the name of 17,000,000 children, I ask the Senate that the yeas and nays be taken upon this amendment.

The VICE-PRESIDENT. The question is upon the amendment offered by the Senator from Oklahoma, upon which he demands the yeas and nays. Is the demand seconded? There appears to be a sufficient number to order the yeas and nays.

Mr. ALDRICH. Is the President sure that there were a sufficient number to second the demand?

The VICE-PRESIDENT. The Chair will count. As many as second the demand for the yeas and nays will raise their hands. [After counting.] Not a sufficient number has seconded the demand.

Mr. GORE. Mr. President, if it is permissible under the rules, I should like to have Senators stand——

The VICE-PRESIDENT. It is not permissible——

Mr. GORE. I raise the point of no quorum, and will demand the yeas and nays again.

The VICE-PRESIDENT. The Senator from Oklahoma suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crane	Gore	Piles
Bacon	Curtis	Guggenheim	Rayner
Borah	Davis	Heyburn	Root
Bourne	Depew	Johnston, Ala.	Scott
Bradley	Dick	Kean	Shively
Brandegee	Dillingham	La Follette	Simmons
Briggs	Dixon	McCumber	Smith, Mich.
Bristow	Dolliver	McEnery	Smoot
Brown	du Pont	Martin	Sutherland
Burkett	Fletcher	Money	Taliaferro
Burnham	Flint	Nelson	Taylor
Burrows	Foster	Oliver	Tillman
Burton	Frazier	Overman	Warner
Carter	Frye	Owen	Warren
Chamberlain	Gallinger	Page	Wetmore
Clark, Wyo.	Gamble	Perkins	

The VICE-PRESIDENT. Sixty-three Senators have answered to the roll call. A quorum of the Senate is present.

Mr. GORE. I wish to say to the Senators who were absent when the roll call began and who have since come in that I submitted an amendment to the pending bill to place school text-books on the free list when imported for the use of public schools, colleges, and universities in this country maintained in whole or in part by taxation. On that amendment I demanded the yeas and nays, which demand was not at that time sufficiently seconded. I desire the question submitted again by the Chair.

Mr. NELSON. Mr. President, does the Senator from Oklahoma think that people in other countries would be prepared to get up schoolbooks for our schools here?

Mr. GORE. The people of Canada, who speak our own language and who have the cheapest print paper of any country excepting our own, might be able to do so. If the Senator from Minnesota [Mr. NELSON] thinks that no schoolbooks would be imported, he can vote for my amendment on that assumption. I will vote for it on the assumption that they will be imported or at least that they might be imported, and we will make the vote unanimous in behalf of free text-books. If that Senator is right, the amendment will do no harm to the text-book trust, but if I am right it might confer a great blessing upon 17,000,000 families and 17,000,000 school children who are powerless to protect themselves against the tyranny of this trust.

The VICE-PRESIDENT. The yeas and nays have been refused.

Mr. GORE. I ask that the Chair submit the question again.

Mr. BACON. I beg to suggest to the Chair that, when the Chair said there was not a sufficient number, the Senator from Oklahoma then called for a quorum, in order that there might be a full vote on the question. If there was not then a quorum, I think the demand of the Senator that the question be voted upon by the full Senate is in order.

The VICE-PRESIDENT. But the roll call has disclosed that there is a quorum present. That is the first evidence that the Chair has had and that the Senate had. The yeas and nays having been refused, the Chair thinks that the demand can not be immediately submitted again.

Mr. GORE. Mr. President, my understanding was that the Chair first announced that the request was seconded, then a Senator on the other side demanded that the Chair count hands, and after that count the Chair made the announcement that the demand was not seconded. I ask unanimous consent that the yeas and nays be taken on the amendment I have offered.

The VICE-PRESIDENT. The Senator from Oklahoma asks unanimous consent that a vote by yeas and nays be taken upon his amendment. Is there objection? The Chair hears none; and the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. FRYE (when his name was called). I am paired with the senior Senator from Virginia [Mr. DANIEL]. I make the announcement for the day.

Mr. RAYNER (when his name was called). I am paired with the junior Senator from Wisconsin [Mr. STEPHENSON]. If he were present, I should vote "yea."

Mr. SIMMONS (when his name was called). I am paired with the junior Senator from Illinois [Mr. LORIMER]. If he were present, I should vote "yea."

Mr. SMITH of Michigan (when his name was called). I am paired with the Senator from Mississippi [Mr. MCLAURIN], who is not here. I therefore withhold my vote.

The roll call was concluded.

Mr. BACON (after having voted in the affirmative). I observe that the Senator from Maine [Mr. HALE] is absent from the Chamber, and, under the pair with him for the day, announcement to which I previously made, I withdraw my vote. If he were here, he would vote "nay," and I would allow my vote in the affirmative to stand.

Mr. RAYNER. My colleague [Mr. SMITH of Maryland] is paired with the senior Senator from Connecticut [Mr. BULKELEY].

Mr. FLINT (after having voted in the negative). Has the senior Senator from Texas [Mr. CULBERSON] voted?

The VICE-PRESIDENT. He has not.

Mr. FLINT. I withdraw my vote, as I am paired with him.

Mr. CLARK of Wyoming (after having voted in the negative). I ask if the Senator from Missouri [Mr. STONE] has voted?

The VICE-PRESIDENT. The senior Senator from Missouri has not voted.

Mr. CLARK of Wyoming. I desire to withdraw my vote.

Mr. ELKINS. Has the junior Senator from Texas [Mr. BAILEY] voted?

The VICE-PRESIDENT. He has not.

Mr. ELKINS. I am paired with the junior Senator from Texas. If he were present, I should vote "nay."

Mr. MONEY. My colleague [Mr. MCLAURIN] is paired with the Senator from Michigan [Mr. SMITH]. He was in the Hall a while ago, and I promised to send for him in case there was a vote, but I forgot to do so in time.

The result was announced—yeas 18, nays 45, as follows:

YEAS—18.

Bankhead	Foster	Martin	Taliaferro
Chamberlain	Frazier	Money	Taylor
Clay	Gore	Overman	Tillman
Davis	Johnston, Ala.	Owen	
Fletcher	McEnery	Shively	

NAYS—45.

Aldrich	Burton	Gamble	Perkins
Beveridge	Carter	Guggenheim	Piles
Borah	Crane	Heyburn	Root
Bourne	Cullom	Kean	Scott
Bradley	Curtis	La Follette	Smoot
Brandegee	Depew	Lodge	Sutherland
Briggs	Dick	McCumber	Warner
Bristow	Dillingham	Nelson	Warren
Brown	Dixon	Nixon	Wetmore
Burkett	Dolliver	Oliver	
Burnham	du Pont	Page	
Burrows	Gallinger	Penrose	

NOT VOTING—29.

Bacon	Cummins	Jones	Smith, Md.
Bailey	Daniel	Lorimer	Smith, Mich.
Bulkeley	Elkins	McLaurin	Smith, S. C.
Clapp	Flint	Newlands	Stephenson
Clark, Wyo.	Frye	Paynter	Stone
Clarke, Ark.	Hale	Rayner	
Crawford	Hughes	Richardson	
Culberson	Johnson, N. Dak.	Simmons	

So Mr. GORE's amendment was rejected.

Mr. BACON. Mr. President, I have some other amendments I wish to offer. I offer an amendment to be known as "paragraph 662½."

The VICE-PRESIDENT. Without objection, the Senate will consider a new paragraph. The Senator from Georgia offers an amendment, which the Secretary will report.

The SECRETARY. Add a new paragraph on the free list, to be known as "paragraph 662½," as follows:

Salt in bags, sacks, barrels, or other packages, or in bulk: *Provided*, That if salt is imported from any country, whether independent or a dependency, which imposes a duty upon salt exported from the United States, then there shall be levied, paid, and collected upon such salt the rate of duty existing prior to the passage of this act.

Mr. BACON. Mr. President, the place assigned for the proposed amendment is on the free list. The number of the paragraph indicates that its position is on the free list. The purpose of the amendment is to put salt on the free list. I simply desire to say a word in connection with it.

It is no new suggestion that salt, of all articles, ought to be on the free list. Of all articles, it is perhaps the one most essential to human comfort and health and life. One would have to go back nearly, if not quite, a hundred years to find the first contention to this effect—one which, I think, is always based on sound reason. I desire to call the attention of the Senate to the fact that the entire revenue from this article of absolute necessity, of universal use, essential to every living human being, used of course from one end of the country to the other in the preparation of food and in the preservation of food, besides other purposes, is but $207,773.

The Senator from Rhode Island [Mr. ALDRICH] seriously objected to putting upon the free list a commodity which would yield $4,000,000 of revenue a year to the Treasury, for it was demonstrated by the figures in the Statistical Abstract that the duty upon long-staple cotton would yield $4,000,000 of revenue a year. The Senator opposed it upon the ground that it would deprive the manufacturers of the benefit of bringing in free the raw material, which would be put upon the dutiable list by that proposition.

I desire to submit that if $4,000,000 a year of revenue can be given up for the benefit of one small class of manufacturers in this country certainly a revenue of $207,000 can be given up to put free salt within the reach of all the people and all the industries of the United States.

That is all I desire to say about the amendment.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. BACON].

Mr. BACON. On that question I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CLARK of Wyoming (when his name was called). I have a general pair with the Senator from Missouri [Mr. STONE]. I note his absence from the Chamber, and withhold my vote. I ask that this announcement may stand for the day, unless he returns.

Mr. ELKINS (when his name was called). I am paired with the junior Senator from Texas [Mr. BAILEY]. I withhold my vote. I ask that this announcement may stand good until he appears in the Chamber.

Mr. RAYNER (when his name was called). I am paired with the Senator from Wisconsin [Mr. STEPHENSON]. I wish to announce that my colleague [Mr. SMITH of Maryland] is paired with the senior Senator from Connecticut [Mr. BULKELEY].

Mr. OVERMAN (when the name of Mr. SIMMONS was called). I desire to announce that my colleague [Mr. SIMMONS] is paired with the junior Senator from Illinois [Mr. LORIMER]. If my colleague were present, he would vote "yea."

Mr. SMITH of Michigan (when his name was called). I am paired with the Senator from Mississippi [Mr. MCLAURIN]. If he were present, I should vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN. I am paired with the senior Senator from Washington [Mr. PILES]. If he were present, I should vote "yea."

Mr. GAMBLE. I desire to state that my colleague [Mr. CRAWFORD] was called away from the Chamber necessarily. He expected to return by this time. If present, he would vote "nay."

The result was announced—yeas 18, nays 42, as follows:

YEAS—18.

Bacon	Davis	Martin	Taliaferro
Bankhead	Fletcher	Money	Taylor
Clay	Frazier	Overman	Tillman
Culberson	Gore	Owen	
Daniel	Johnston, Ala.	Shively	

NAYS—42.

Aldrich	Crane	Gallinger	Penrose
Beveridge	Cullom	Gamble	Perkins
Borah	Curtis	Guggenheim	Root
Bradley	Depew	Heyburn	Scott
Brandegee	Dick	Kean	Smoot
Briggs	Dillingham	Lodge	Sutherland
Burkett	Dixon	McCumber	Warner
Burnham	Dolliver	McEnery	Warren
Burrows	du Pont	Nelson	Wetmore
Burton	Flint	Oliver	
Carter	Foster	Page	

NOT VOTING—32.

Bailey	Clarke, Ark.	Jones	Rayner
Bourne	Crawford	La Follette	Richardson
Bristow	Cummins	Lorimer	Simmons
Brown	Elkins	McLaurin	Smith, Md.
Bulkeley	Frye	Newlands	Smith, Mich.
Chamberlain	Hale	Nixon	Smith, S. C.
Clapp	Hughes	Paynter	Stephenson
Clark, Wyo.	Johnson, N. Dak.	Piles	Stone

So Mr. BACON's amendment was rejected.

Mr. BACON. Mr. President, when paragraph 291 was first reached I requested that it be passed over, and it was so marked on the book; but it was afterwards taken up at a time when my attention was diverted and was adopted. I wish to offer an amendment to it.

Mr. ALDRICH. I am willing to have it reconsidered for the purpose of permitting the Senator to offer an amendment, if he desires.

Mr. BACON. I shall not occupy any time on it. I desire to move to strike out the provisos of the salt paragraph—291. I will ask that the Clerk read the provisos. I will state that they follow the imposition of duty upon salt in bags and in bulk, and that under the bill the ad valorem duty upon salt in bags, sacks, and so forth, is 36 per cent and a fraction, while in the case of salt in bulk it is 90 per cent. Then, following the imposition of the duty, come the provisos, which I ask the Secretary to read, on page 87.

The SECRETARY. On page 87, beginning after the word "pounds" in line 13, strike out:

Provided, That imported salt in bond may be used in curing fish taken by vessels licensed to engage in the fisheries and in curing fish on the shores of the navigable waters of the United States under such regulations as the Secretary of the Treasury shall prescribe; and upon proof that the salt has been used for either of the purposes stated in this proviso, the duties on the same shall be remitted: *Provided further*, That exporters of meats, whether packed or smoked, which have been cured in the United States with imported salt, shall, upon satisfactory proof, under such regulations as the Secretary of the Treasury shall prescribe, that such meats have been cured with imported salt, have refunded to them from the Treasury the duties paid on the salt so used in curing such exported meats, in amounts not less than $100.

Mr. BACON. Mr. President, I wish to say that I was in favor of having salt placed on the free list, so that persons engaged in the fisheries might have free salt, and so that persons engaged in salting and curing meats for export might have the advantage of free salt; and I desired that all other people and interests in the country should also have the advantage of free salt. But if salt is to be denied to the American farmer who puts up his own meat, I certainly am not in favor of permitting the great packing industry of the country to have free salt to pack its meats to be shipped to foreigners. I am not in favor of giving foreigners the advantage in this country of free salt to be used in the curing of products for their use, when our people are denied free salt for use in the curing of meats for their own use and for other purposes. I therefore move to strike out the provisos.

The PRESIDING OFFICER (Mr. BRIGGS in the chair). The question is on the amendment offered by the Senator from Georgia to paragraph 291, to strike out all after the word "pounds" in line 13.

Mr. BACON. Mr. President, I did not understand that the Chair was putting the question; my attention was diverted. I ask for the yeas and nays on the amendment.

Mr. ALDRICH. I hope the Senator from Georgia will not ask for the yeas and nays.

Mr. BACON. It will not take long.

Mr. ALDRICH. I think the Senator knows as well in advance as he will later what the result will be.

Mr. BACON. I do.

Mr. ALDRICH. And it simply takes up the time of the Senate.

Mr. BACON. Mr. President, I did not take two minutes in presenting the amendment to the Senate. I think I ought to have the yeas and nays.

The PRESIDING OFFICER. The Senator from Georgia asks for the yeas and nays on this amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. ELKINS (when his name was called). I am paired with the junior Senator from Texas [Mr. BAILEY], and withhold my vote.

Mr. RAYNER (when his name was called). I am paired with the junior Senator from Wisconsin [Mr. STEPHENSON] for to-day and to-morrow. I will make no further announcement of the pair.

Mr. SIMMONS (when his name was called). I am paired with the junior Senator from Illinois [Mr. LORIMER]. If he were present, I should vote "yea."

Mr. SMITH of South Carolina (when his name was called). Has the Senator from Washington [Mr. JONES] voted?

The PRESIDING OFFICER. He has not.

Mr. SMITH of South Carolina. I withhold my vote.

Mr. TILLMAN (when his name was called). Has the Senator from Vermont [Mr. DILLINGHAM] voted?

The PRESIDING OFFICER. He has not.

Mr. TILLMAN. I withhold my vote. I have a general pair with that Senator.

The roll call was concluded.

Mr. CHAMBERLAIN (after having voted in the affirmative). I am paired with the senior Senator from Washington [Mr. PILES], and therefore withdraw my vote.

Mr. TALIAFERRO. Has the senior Senator from West Virginia voted?

The PRESIDING OFFICER. He has not.

Mr. BACON. The senior Senator from Maine [Mr. HALE] is not present. I am paired with him for the day. I transfer my pair to the Senator from Indiana [Mr. SHIVELY] and let my vote stand.

The result was announced—yeas 17, nays 39, as follows:

YEAS—17.

Bacon	Daniel	Hughes	Owen
Bankhead	Davis	Johnston, Ala.	Taylor
Bristow	Foster	La Follette	
Clay	Frazier	Martin	
Culberson	Gore	Overman	

NAYS—39.

Aldrich	Crane	Gallinger	Penrose
Beveridge	Crawford	Gamble	Perkins
Bradley	Cullom	Guggenheim	Root
Brandegee	Curtis	Heyburn	Scott
Briggs	Depew	Kean	Smoot
Burkett	Dick	Lodge	Sutherland
Burnham	Dixon	McCumber	Warner
Burrows	du Pont	McEnery	Warren
Burton	Flint	Oliver	Wetmore
Carter	Frye	Page	

NOT VOTING—36.

Bailey	Cummins	McLaurin	Shively
Borah	Dillingham	Money	Simmons
Bourne	Dolliver	Nelson	Smith, Md.
Brown	Elkins	Newlands	Smith, Mich.
Bulkeley	Fletcher	Nixon	Smith, S. C.
Chamberlain	Hale	Paynter	Stephenson
Clapp	Johnson, N. Dak.	Piles	Stone
Clark, Wyo.	Jones	Rayner	Taliaferro
Clarke, Ark.	Lorimer	Richardson	Tillman

So Mr. BACON's amendment was rejected.

Mr. GAMBLE. I submit the amendment I send to the desk.

The SECRETARY. On page 219 strike out paragraph 691, "Tin ore, cassiterite, or black oxide of tin, and tin in bars, blocks, pigs, or grain or granulated."

On page 187, before paragraph 470, insert a new paragraph to read as follows:

Mr. ALDRICH. I suggest to the Senator that he leave the amendment on the free list instead of the dutiable list. It is to operate if certain conditions arise.

Mr. GAMBLE. I think perhaps it would be just as well to transfer it, because under the amendment proposed it is a conditional application of a duty.

Mr. ALDRICH. I think it had better be put in the paragraph on the free list.

Mr. GAMBLE. I assume that it would be better to substitute this amendment for paragraph 691.

The PRESIDING OFFICER. It is proposed to strike out paragraph 691 and insert what will be read.

The Secretary read as follows:

There shall be imposed and paid upon cassiterite, or black oxide of tin, and upon bar, block, pig tin and grain or granulated, a duty of 4 cents per pound when it is made to appear to the satisfaction of the President of the United States that the mines of the United States are producing, and will continue to produce, 1,500 tons of cassiterite and bar, block, and pig tin per year. The President shall make known this fact and fix the date upon which this duty shall go into effect by proclamation.

Mr. ALDRICH. It should be put in the form of a proviso to the paragraph on the free list.

Mr. LODGE. And not strike out the paragraph.

Mr. ALDRICH. Not striking out the paragraph, but inserting it as a proviso.

Mr. GAMBLE. I presume it would not be material as to the form. It would remain undutiable until this condition arises.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from South Dakota as a proviso to paragraph 691. [Putting the question.] The noes seem to have it.

Mr. GAMBLE. If there is any question about this matter, I do not want to take the time of the Senate, but——

Mr. ALDRICH. I think it had better go in, and the committee will examine it.

Mr. GALLINGER. Let the question be submitted again.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from South Dakota.

The amendment was agreed to.

Mr. CULBERSON. I offer an amendment which was proposed May 3, 1909, as paragraph 583½ on the free list.

The PRESIDING OFFICER. The Secretary will read the amendment.

Mr. CULBERSON. It is to put cotton ties on the free list.

The SECRETARY. It is proposed to insert the following paragraph:

583½. Hoop or band iron, or hoop or band steel, cut to lengths, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation, with or without buckles or fastenings, for baling cotton or any other commodity.

Mr. CULBERSON. Mr. President, it requires about 8½ pounds of cotton ties to properly bind a bale of cotton. Under the Dingley Act ties were subject to a duty of half a cent a pound, or a duty of 4¼ cents per bale. This duty was prohibitive. But few cotton ties were imported. The actual importations for 1907 amounted to only 716,819 pounds, valued at $20,805. The revenue derived in 1907 was only $3,584.10, and it is estimated that under the Senate committee bill the revenue will amount to only $2,150.46. This tax against the cotton planter amounted in the aggregate on 13,000,000 bales of cotton to $550,000. It is proposed to be reduced in the Senate committee bill to three-tenths of a cent per pound, which will still tax the planters $330,000.

It is claimed and sworn to in the testimony before the Committee on Ways and Means of the House of Representatives that 99 per cent of the cotton ties used in this country are manufactured by the United States steel trust. Binding twine for the western farmers has been placed on the free list. Cotton bagging was this morning placed on the free list. There is no logical reason why cotton ties should not be placed on the free list, as proposed in this amendment, especially as the only beneficiary in this country is the most gigantic monopoly that exists to-day in America.

It is said, as one of the objections to this measure, that the farmers receive back the amount which they have paid for the cotton ties and the cotton bagging. I will ask to have read a voluntary letter written to me on the 27th of May by Mr. C. L. McMillan, of New Orleans, on this subject, so that Senators may understand that this claim of the farmers being reimbursed, as it were, is altogether unfounded.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

C. LEE MCMILLAN & CO. (LIMITED),
New Orleans, May 27, 1909.

Senator CHARLES A. CULBERSON,
Washington, D. C.

DEAR SIR: Yesterday Representative BURLESON telegraphed me as follows:

Antagonists of free bagging and ties contend that the spinner pays for bagging and ties when he buys cotton, and that in the end it proves a profit rather than a loss to cotton producers. I contend that 26 pounds tare is considered when market price of cotton is fixed and want telegrams from cotton buyers and exchange officials to support my contention. Are deductions made for tare by foreign as well as domestic purchasers, and what effect does it have on price?

And the following messages were sent in reply:

Your contention in dispatch concerning tare on cotton is true. When the farmer buys bagging and ties, he pays therefor some 9 cents per bale more than he would pay if free. When the spinner buys from the farmer, he deducts from the worth of the cotton the amount of his loss by bagging and ties. Therefore the spinner does not pay the tariff profit that goes to the manufacturers of bagging and ties and the farmer does. But even if the spinner did pay, antagonists' argument is not strengthened, because spinner would add excess to manufactured product and thus increase the cost to consumer. In either case the trust collects the profit and the people pay.

W. B. THOMPSON,
President New Orleans Cotton Exchange.

—

It is a well-known fact that all buyers on both sides of the Atlantic allow in the prices they pay fully enough, if not more than enough, to offset the weight on bagging and ties on a bale. As a general thing, 6 per cent is allowed for tare by foreign spinners. While all spinners practically buy on the basis of tare, care is generally taken that allowances always equal and frequently exceed actual tare.

HENRY G. HESTER.

—

All cotton sold for export deducts 6 per cent tare for bagging and ties. Domestic mills claim 4 to 5 per cent tare.

NORMAN EUSTIS,
Acting Chairman Cotton Factors' Association.

—

Cotton sold for export carries 6 per cent deduction for tare. Domestic mills calculate about 5 per cent.

NEW ORLEANS COTTON BUYERS AND EXPORTERS' ASSN.,
A. M. WEST, *President.*

—

Cotton exporters calculate 6 per cent tare for bagging and ties. Eastern spinners 23 to 25 pounds per bale. Carolina Mills Association rule 4 reads: "On compressed cotton the tare should not exceed 24 pounds and on uncompressed cotton 20 pounds per bale." Cotton producers pay for their bagging and ties. Any spinner will give more for 500 pounds net cotton than for a bale weighing 500 pounds gross, including bagging and ties.

C. LEE MCMILLAN.

—

You doubtless know as well as I do that every spinner calculates in buying cotton what allowance to make for tare on bagging and ties, and as the same amounts to between 5 and 6 per cent no one ever overlooks it.

I send you the above, thinking same may be of interest to you, as it will show one of the contentions the bagging and tie trust allies will put forward. If they have nothing stronger than this, I think the cotton farmer surely should win out for "free bagging and ties," or, at least, for a very material reduction in the duty.

What do you now consider are the chances for success?

Yours, very truly,

C. LEE MCMILLAN.

Mr. CULBERSON. In the same connection I wish to read a short extract from the report of Secretary Walker in 1846, showing that as early as that date this proposition was answered. It is page 5 of the reprint of the report.

The duty on cotton bagging—

And it applies to cotton ties as well—

is equivalent to 55.20 per cent ad valorem on the Scotch bagging and to 123.11 per cent on the gunny bag, and yet the whole revenue from these duties has fallen to $66,064.50. Nearly the entire amount, therefore, of this enormous tax makes no addition to the revenue, but inures to the benefit of about 30 manufacturers. As five-sixths of the cotton crop is exported abroad, the same proportion of the bagging around the bale is exported and sold abroad at a heavy loss, growing out of a deduction for tare.

Mr. ALDRICH. Mr. President, there is no more reason why cotton ties should be put upon the free list than that steel rails should be. The present duty on ore itself is half a cent a pound. It is reduced by this bill to three-tenths of a cent a pound, or $6 a ton. With the unrivaled iron resources of Virginia, Tennessee, Alabama, and Georgia, with their ore deposits and opportunities to manufacture ties, every Senator from the South ought to vote against this proposition. There is no reason for it whatever. The duty on pig iron is $2.50 a ton and on cotton ties only $6 a ton. They ought to be made in the South, and the South ought to be opposed to any proposition of this kind to have them imported from a foreign country.

Mr. TILLMAN. It so happens, however, that they are not made in the South, and even if they were they would have to pay a tribute to the steel trust, because since the steel trust has absorbed the Tennessee Coal and Iron Company it has practically put the possibility of any independent production out

of the question in that part of the world, at least for the few years ahead of us.

I hold in my hand [exhibiting] a miniature bale of cotton, which indicates the process of preparation for its entry into commerce. After the cotton has been picked from the field, carried to the gin, where it is separated from the seed, and then being in a very fluffy, expansive, bulky condition, which would make it impossible to handle it commercially, it is pressed or packed into a bale, about 4½ to 5 feet long, the natural size, and about 4 feet wide edgewise, and 2 feet through. Bagging and ties are put around it like this miniature bale. That bale is further compressed by the great hydraulic processes for shipment abroad to one-half of its bulk, and it gets to a density of steel and is as heavy almost, bulk for bulk, as steel.

The Senator from Rhode Island says that there is no more reason to put cotton ties on the free list than there is to put steel rails. They are not in the same category at all. I think it is an infamy that we have not steel rails on the free list, in view of the confession made by Mr. Carnegie and by Mr. Schwab before the Committee on Ways and Means of the House, because the steel rails which we produce in this country in such enormous quantities are sold to our railroads, and those railroads being the means of transporting and handling the commerce of the country, the entire people pay tribute to the steel trust to the extent that they produce steel rails. Our railways cost over $1,000 per mile in tariff alone. The railroads, of course, cost more per mile because of this increase in the price of rails, and to that extent the entire people pay tribute.

But the steel rail is in constant use and remains on the roadbed and lasts five, ten, twenty years, according to the amount of traffic over it; then it is sold at a good price and again rolled. The cotton tie, which goes around a bale of cotton, is nearly always cut when it gets to the factory; it is not unbuckled, and it goes into the scrap heap. It is an increase in the expense of handling cotton absolutely necessary for commercial use, and is lost as soon as we have parted from it. They deduct the price in tare, so that it is lost to the cotton farmer absolutely.

I have appealed to the Senator from Rhode Island time and again in this debate at odd moments when opportunity came to me, to do away with the discrimination against southern farmers, shown in the previous tariff bills in giving the western farmers free binding twine and denying to us free bagging. It is one of those things which, while it does not amount to much in money, involves the great principle of unfairness, of injustice, of wrong.

I hope the Senator will recall how pleasant it is to have a little drop of oil sometimes placed on a thing that is being rubbed, where there are fire and friction and heat; it is screaking or screaming for want of a lubricant; just think how great a pleasure it will give to the cotton farmers to think that they are in the Union, that they are no longer being taxed unjustly and wrongfully as compared with our brothers of the West. I think he might open the portals of his heart enough to take the little three or four hundred thousand dollars which we pay tribute to Carnegie and Schwab and Corey and all that blessed gang, not to speak disrespectfully, and let us have this one little modicum of relief. I should think he would not have it in his heart to resist this appeal. I can not see how he can refuse it, a man who otherwise and ordinarily is so high and generous and just and reasonable and honorable, I will say, though a great many people of this country do not entirely agree with me in that.

But with my long personal contact with the Senator here I am ready to say that I would trust his word as soon as I would any man's in this Chamber. I say I make an appeal to him to put us on an equality with our friends of the West, that all the cotton bales shall have no more burden attached to them than is necessary. You let the bag which covers it go on the free list, while you let Carnegie and Schwab take 6 or 7 cents for every bale in the South from our pockets to add to their—I will not put in an adjective—what kind of millions they have made. You all know what I think about it. I appeal to the Senator from Rhode Island not to call on his Macedonian phalanx over there to put this amendment out of joint.

Mr. OLIVER. Mr. President, I desire to detain the Senate but a moment to reply to the allegation of the Senator from Texas [Mr. CULBERSON] with regard to who pays for the cotton ties when cotton is sold in the bale. I have here a letter from a merchant of Memphis, Tenn., who is well informed upon this subject, in which he uses the following language:

Everyone connected with the cotton industry of the South knows that the planter of cotton buys in the fall of the year either directly or indirectly bagging and ties to wrap his cotton with. Everyone knows that the actual raiser of cotton, after the cotton has been ginned and baled, sells the bale at the gross weight. This has been a universal custom for many years past, and whoever denies these facts must be some one totally ignorant of conditions pertaining to the cotton trade.

I am herewith handing you a set of official rules and regulations of the Memphis Cotton Exchange, and you will note by the cross on article 5 that "Six ties only shall be permitted on each bale unless an allowance is made of 2 pounds for every tie above that number."

Mr. SMITH of South Carolina. Will the Senator just allow me to interrupt him there?

Mr. OLIVER. I should like to finish the letter, and then I would be glad to yield.

Mr. SMITH of South Carolina. At this point I want to submit a statement to the Senate. Every man who knows anything about the cotton business, who has ever exported a bale or sold a bale in the domestic market, knows that the price of cotton is fixed in Liverpool net and then cabled to this country so that the domestic buyer in the United States fixes his price net. A complaint was brought up in the world's congress, of which I had the honor of being a member, and the question most prominent before our body was how to get rid of the practice of the exporters from this side when we had 6 per cent deducted, or 30 pounds on 500, in order to get the full advantage of the 30 pounds deduction patched the sample holes and spliced the sides. Everybody who has handled cotton at all knows that bagging and ties are deducted in America. It is true it is an indirect charge, just like this tariff business.

Mr. OLIVER. At the same time they buy our cotton ties at a cent and a half or 2 cents and sell them for 10 and 11.

Mr. SMITH of South Carolina. The cotton ties are deducted entirely from the price of cotton. If there were no tare on cotton, we would get 10 cents a pound for 30 pounds that we do not get.

Mr. LODGE. Mr. President, will the Senator permit me?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Massachusetts?

Mr. OLIVER. Certainly.

Mr. LODGE. It is perfectly true that exported cotton is sold net weight in Liverpool and home cotton is sold gross weight.

Mr. OLIVER. I was just going to say that.

Mr. LODGE. And the domestic consumer pays. I read from a letter of superintendent of the National Cotton Exchange:

The farmer or grower pays for the bagging and ties, but gets back the cost thereof in selling his cotton by its gross weight to the buyer. In this country no allowance is made for ties or bagging by the farmer to the buyer.

Mr. SMITH of South Carolina. May I ask——

Mr. LODGE. One moment, please.

Except in occasional instances where the farmer has put on more bagging than will cover the bale, in which event the extra bagging is cut from the bale before weighing the latter.

As a matter of fact, therefore, the buyer in this country pays the cost of the ties and bagging in paying for each bale by its gross weight.

In Europe, as stated in my previous letter of this date, cotton is sold by its net weight, which is arrived at in the manner therein described.

Repeating my offer to serve you, believe me,

Yours, truly, WM. V. KING,
Superintendent New York Cotton Exchange.

I have any amount of evidence as to that; and I know, as a matter of fact, as to the paying for the bagging and the ties, that the New England mills had to limit it to 22 pounds, as they were paying for so much bagging and ties at cotton rates. They now pay on 22 pounds of bagging and ties at the rate of cotton. That is done by the mills. I do not pretend to say who gets the money, but I know the users pay for the gross weight of the cotton.

Mr. OLIVER. I decline to yield further, as I wish to finish what I have to say. Then the Senator can reply to it.

Rule 7 of the New Orleans Cotton Exchange reads as follows:

Rule 7. Six iron bands or ropes, not exceeding in weight 12 pounds in the aggregate, shall be considered sufficient for each uncompressed bale of cotton. Any excess shall, at the option of the buyer, be removed from the bale or be deducted from the gross weight. If a bale has less than 6 bands, allowance shall be made to the seller, the bands to be put on by the press at the expense of the seller.

Mr. President, I have here a letter which I send to the desk to be read. It was sent to me voluntarily by a citizen of the State of Georgia who is familiar with this matter.

The PRESIDING OFFICER. The Secretary will read the letter, as requested by the Senator from Pennsylvania.

The Secretary read as follows:

SOUTHERN CAR WHEEL IRON COMPANY,
Tallapoosa, Ga., June 15, 1909.

Hon. GEORGE T. OLIVER,
United States Senate, Washington, D. C.

DEAR SIR: Referring to the pending tariff bill, and particularly to the item of cotton ties, from which the effort is being made to remove the duty, may I take up some of your time to say a few words?

I have looked into the subject to some extent, and it seems to me that cotton ties as well as jute bagging for cotton are two items on which

the duty may properly be placed, owing to the fact that the cotton raiser makes a profit on every pound of them he buys, and on ties his profit is such a magnificent one there is no room for complaining. The figures show as follows:

	Cents per bale.
Ties per bale of cotton, 9 pounds, average cost 3 cents	27
Ties weighed in with cotton, farmer receives pay for same at cotton price, average price 10 cents per pound	90
Average profit per bale from ties	63

Last season's production was approximately 13,000,000 bales, so that on the above figures the cotton farmer had a gross profit on the ties for which he paid 3 cents per pound and sold for 10 cents of $8,190,000, approximately. An actual profit of this amount; and in view of the figures, why should not the duty remain?

The claim is made that the ties and bagging are taken into account when the price is fixed, and proper deduction is made, but this claim can not well be proven. If the price of cotton were fixed each month or quarter or season, and there was a starting point at which these values were adjusted, this deduction might be made, but the price of cotton may be likened unto the brook, "but I go on forever." When the price was a question simply between the grower and the buyer, a deduction for tare could be made; but when the price is made, as it has been for years, on the exchanges, with a gradual rise from an average of 7 cents per pound of ten years ago to the present average of 10 to 11 cents, and occasionally to 12 cents and over, I do not see how the subject of tare can enter into the price. We know that the cotton weigher weighs in the ties and bagging, and it is paid for at the cotton price with the resulting profit to the cotton grower. The price of cotton is already fixed for the season by the exchanges; it may bo higher or lower, with the varying crop prospects.

Yours, truly,

W. M. KELLEY.

Mr. SMITH of South Carolina. Mr. President, it is not worth while for us to attempt to discuss such a monstrous proposition as that the tare is not deducted on every bale of cotton bought in America, for the reason that every man who buys a bale of cotton and exports it knows that the contract reads "c. i. f. and 6 per cent." Every man who ships a bale of cotton knows that his contract reads in that way. The 6 per cent fixed for tare after the "c. i. f."—commission, insurance, and freight—have been deducted. Therefore when a bale of cotton goes to Liverpool, Manchester, Lancaster, Munich, Barcelona, Genoa, or Alexandria, it is sold net. So the American buyer, in buying cotton for export, deducts those fixed charges and gives the man who owns the cotton the balance.

If it were true that we were getting the price for bagging and ties, then it would be true that every American buyer after buying a bale of cotton and who exported it to Europe was giving the European buyer the bagging and ties on the bale of cotton, because, as stated here, they deduct 30 pounds tare. No man denies that, and yet the American price is fixed according to the Liverpool price. Every morning when you go into a stock exchange you will find that they wait until they get a cablegram from Liverpool.

Mr. TILLMAN. I call the attention of the Senator from South Carolina to this remarkable letter from Tallapoosa, in which it is stated that the prices are fixed by the exchanges, thereby doing away with all the balance of the argument of the Senator from Pennsylvania [Mr. OLIVER].

Mr. SMITH of South Carolina. Certainly; the price is fixed by the exchanges. The New York and New Orleans exchanges fix their price according to the Liverpool exchange.

Mr. CULBERSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Texas?

Mr. SMITH of South Carolina. I do.

Mr. CULBERSON. Will the Senator permit me to make a suggestion right there, from sworn testimony taken before the committee of the other House—a few paragraphs upon this particular point?

Mr. SMITH of South Carolina. I will.

Mr. CULBERSON. At page 4937 of the hearings is the testimony of Mr. McMillan on this subject, as follows:

Mr. GRIGGS. I want to settle one matter that I think you understand very thoroughly. An intimation was made here this morning that the farmer resells his sacks. What tare is taken off for bagging and ties at the factory?

Mr. MCMILLAN. Six per cent is the allowance calculated upon; 30 pounds for each 500-pound bale of cotton.

Mr. GRIGGS. At 9 cents a pound that would be how much?

Mr. MCMILLAN. That would be $2.70.

Mr. GRIGGS. That the farmer loses in the price of cotton, because it is taken off the price of cotton. I don't believe it is deducted absolutely, but that is taken into consideration in fixing the price of cotton.

Mr. MCMILLAN. In other words, he doesn't sell bagging and ties at the price of cotton, but their weight is deducted in the final account.

Mr. GRIGGS. And it amounts to $2.70?

Mr. MCMILLAN. Yes, sir.

Mr. GRIGGS. At 9 cents a yard—because that is about the ruling price of bagging for the last few years—how many yards does it take to cover a bale of cotton?

Mr. MCMILLAN. Six and one-half yards is about the average.

Mr. GRIGGS. How much is that?

Mr. MCMILLAN. About 60 cents.

Mr. GRIGGS. What is the cost of the ties to the farmer who has to buy them?

Mr. MCMILLAN. About 20 cents per bale of cotton.

Mr. GRIGGS. The two cost him 80 cents, and he loses for them $2.70?

Mr. MCMILLAN. Well, I do not follow you exactly that way.

Mr. GRIGGS. In the shape of tare?

Mr. MCMILLAN. He gets for his cotton a net price, and what he pays for his bagging he gets no return on at all.

Mr. GRIGGS. He really loses?

Mr. MCMILLAN. There is no account taken of that?

Mr. GRIGGS. That is, he loses the tare?

Mr. MCMILLAN. Yes.

Mr. GRIGGS. And the tare is $2.70?

Mr. MCMILLAN. Well, he would have to pay for the bagging then, at the price of cotton to start with, to lose that.

Mr. GRIGGS. I understand that, and he does that, does he not? He loses on the packing because that weight is deducted.

Mr. MCMILLAN. He would not be entitled to the price on the gross weight.

Mr. GRIGGS. Two dollars and seventy cents are deducted from the gross?

Mr. MCMILLAN. That is correct.

Mr. SIMMONS. Mr. President——

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from North Carolina?

Mr. SMITH of South Carolina. I do.

Mr. SIMMONS. I have a letter upon this subject from Mr. Charles E. Johnson, the largest exporter of cotton in my State, I think. He is located at Raleigh. Here is what he says with reference to the matter now under consideration. This letter was written April 2, 1909:

When cotton is sold for export, the export price is less 6 per cent for tare; that is, 6 per cent of the weight of the bale to cover the bagging and ties. Cotton is exported "commission, insurance, freight, and 6 per cent tare," the slang for which is "c. i. f. and 6."

Mr. SMITH of South Carolina. Mr. President, the whole question involved in this matter comes back to the very principle which has been advocated on this floor by the Republican Members of this Senate. So far as the amount saved, that would almost be a negligible quantity. But I want to call the attention of the Senate to the fact that we, by force of circumstances, are giving to New England one of the largest forms of the raw material out of which she makes her wealth. We are giving it to her absolutely free. Millions of dollars are invested in the production of the finished article out of the raw material produced in the South. The Agricultural Department is spending thousands and thousands of dollars in order to teach us how we can secure more cotton per acre at a less cost, so as to furnish to the manufacturers of this country that one article that stands as one of the two necessities of the human family, for there are but two necessities when it comes down to the fundamental question: One is what shall we eat; and the other is what we shall wear. And the South, by virtue of her geographical position, answers the second question. We furnish the basis of the raw material, and we get no possible benefit from this protective tariff.

Our surplus is so great that three out of every four bales are sold abroad. We furnish the basis out of which these manufacturers are making their wealth; and yet, in spite of the fact that the Government is spending so much through the Agricultural Department for the work of promoting the growth of cotton, we come to the question of bagging, which this morning went on the free list, but when we come to the question of cotton ties, here are the New England States and Pennsylvania, where the bulk of the ties are made, and in order to save, it seems, a miserable pittance compared with the vast amount that they are wringing from the American people, the overtaxed and hard-working producer of that upon which New England is dependent, the cotton of the South—when it comes to a question of them being liberal-hearted and broad-minded enough to yield that little in the high protective tariff and turn back to the cotton grower, who gets no protection, this little encouragement to go to work to make more, there must be wrung from him 6 cents a bale, to go into the pockets of the poor, down-trodden steel trust of America!

On April 25, 1906, it looked as if we were going to make a magnificent crop of cotton. There were about 2,500,000 bundles of ties ready for shipment, but by one touch of the key of the electric button it was flashed over the cotton belt that the steel trust of Pittsburg, Pa., had raised the price of ties 10 cents a bundle, thus exacting from the pockets of the cotton growers of the South $250,000 in one hour on 2,500,000 bundles of ties. We were absolutely helpless. Why? The mills were waiting for the cotton; the farmer was waiting to pay his debts; the railroads were waiting to run; and because debt was grinding us we had to put our cotton on the market, and we had to put into the pockets of the steel trust in five minutes $250,000, because by virtue of the operation of this high tariff. All competitors were shut out of the field, and we had either to buy from them or go without any ties for our cotton.

A few years previous to that the bagging trust tried the same procedure; but we were not as dependent upon the bagging for covering as we are for ties for binding. A lot of us used clapboards. We covered our cotton with bags and clapboards and

with all kinds of old junk that we picked up about the yards and fields, and we beat the bagging trust to a standstill.

In view of the magnificent crop of the South, free not only to America, but to the world at large, the Senate should see to it that every encouragement possible shall be given to those who have held the balance of trade since the war and before in favor of America, instead of, for the sake of maintaining a miserable principle, taxing those who produce the larger part of the wealth of this country merely in order to keep up a system that takes from the growers of cotton this tremendous amount.

It is not any use to talk about our getting paid for our bagging and ties. Do you know, Mr. President and gentlemen of the Senate, they not only charge us full value for bagging and ties when we buy them and deduct them when we sell the cotton, but they take the miserable stuff, piece it together, and sell it back to us again with the duty on it, and we have used old bagging and old pieced ties until we have nearly worn them out, paying practically every time full value for that which we had bought before and given to them.

There is no possible argument that any broad-minded American can urge against this proposition. If our cotton was paying a duty or was protected, there might be some semblance of justice in saying that we should pay a proportionate duty on bagging and ties; but since by virtue of the case we have got to sell our cotton in the free markets of the world, and since you are spending so many thousands of dollars encouraging and supporting the industry of cotton culture, upon which we are all so dependent, it does seem that we might at least be allowed to get free of duty the covering that goes on the cotton to fix it for the market. We do not ask you to put a duty on the cotton. We simply ask you to give us a fair chance. Thank God, the South is getting to a point where at last, by virtue of her enforced poverty, by a system of economy that was absolutely cruel, she has learned how to retrench and save her money and come to the front; and whether you take the duty off of ties or whether you put it on, the time will come when we will come into our own and remember our friends.

Mr. LODGE. Mr. President, there is no question but that cotton is sold at Liverpool and for export at net weight, and the weight is deducted up to 30 pounds, or 6 per cent, for ties and bagging on the bales; but I think there is no possible doubt that on the cotton used at home—the domestic cotton—the ties and bagging are paid for by the consumers up to 22 pounds at the price of raw cotton. I do not undertake to say who gets that money; but I do say that it is paid by all the mills. I have here the rules for buying cotton laid down by the Arkwright Club, which includes all the eastern mills, in which they say:

> Purchasers of cotton have for many years regarded it as a special grievance that bales are frequently loaded with bagging and secured by an excess of ties, all of which, unless the extra weight be deducted, is to be paid for as raw cotton. To overcome this difficulty rules have been established limiting the amount of tare which will be allowed. These rules are almost as many and as various as the cotton exchanges or the individual establishments which have adopted them. The fixing of a high allowance for tare is a temptation to load bales up to the limit, as a high allowance for difference of weight of bales is a temptation to thievery from the bale itself. The desirability of uniform rules relating to every question involved in the buying of cotton is universally admitted, but no general agreement has yet been reached upon any single point.

They establish 22 pounds as the limit. Here I have the description of a contract for cotton for future delivery as dealt in at New York and New Orleans. The New York contract is 50,000 pounds gross. Here are the rules of the Arkwright Club for buying cotton. The first rule is:

> 1. The weight of bagging and ties shall not exceed 22 pounds per bale, and claims shall be made on the excess over that weight.

There is no question that the mills pay; but where the money goes I do not pretend to say. I have here the orders from special mills—the Chicopee Manufacturing Company and the Hamilton Manufacturing Company—giving directions as to the buying of cotton. I ask that they be printed in the RECORD, together with the extract which I send to the desk.

Mr. SMITH of South Carolina. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from South Carolina?

Mr. LODGE. Yes.

Mr. SMITH of South Carolina. I should merely like to ask one question.

Mr. LODGE. Certainly.

Mr. SMITH of South Carolina. The Senator from Massachusetts says that they have fixed on 22 pounds. On what basis is the price fixed before they agree to allow that 22 pounds?

Mr. LODGE. They pay for a bale; that is, 500 pounds——

Mr. SMITH of South Carolina. That is not the question. I say, where is the price fixed?

Mr. LODGE. The price of cotton, of course, is fixed in Liverpool.

Mr. SMITH of South Carolina. Precisely.

Mr. LODGE. But on every bale that goes into New England, I think, they pay for 22 or 24 pounds of bagging and ties at the rate of raw cotton. That is, in a bale of 500 pounds, they get 478 pounds of cotton and the rest ties and bagging.

Mr. SMITH of South Carolina. The Senator from Massachusetts wants to be fair.

Mr. LODGE. Certainly I do.

Mr. SMITH of South Carolina. The price is fixed at Liverpool, and 30 pounds is deducted at Liverpool for tare. They only allow 22 pounds and deduct 30, getting 8 pounds of our cotton free.

Mr. LODGE. The Senator is entirely mistaken.

Mr. SMITH of South Carolina. I have handled cotton all my life, and I am not mistaken.

Mr. LODGE. Thirty pounds is not deducted here.

Mr. SMITH of South Carolina. It is deducted in Liverpool.

Mr. LODGE. It is deducted in Liverpool; but that has nothing to do with the price of cotton.

Mr. SMITH of South Carolina. If the price is fixed in Liverpool, less c. i. f.—that is, fixed charges, 6 per cent, and 30 pounds to the bale——

Mr. LODGE. Mr. President, if the Senator will allow me, I believe I have the floor. They pay net weight and we pay gross. That is the whole story.

Mr. SMITH of South Carolina. Exactly——

Mr. LODGE. The price in Liverpool has nothing whatever to do with the deduction made.

Mr. SMITH of South Carolina. They deduct the bagging and ties before they fix that price.

Mr. LODGE. Not at all. I know our mills pay it. I do not say that the planter gets it, but I know that our mills pay it.

Mr. SMITH of South Carolina. Why is it that at the compress exporters have been warned about packing sample holes and splicing sides? Thirty pounds are deducted for tare before the price is fixed. You only allow us on 22 pounds for bagging and ties, and you deduct 30 pounds, thereby not only getting our bagging and ties for nothing, but getting 8 pounds of our cotton free.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from South Carolina?

Mr. LODGE. Certainly.

Mr. TILLMAN. I want to explain what my friend means when he speaks about "splicing sides," else you gentlemen will be in the dark and it will be Sanskrit to you. An ordinary commercial bale of cotton has this much cotton exposed. [Indicating.] This is on the side. The demand has been made by some of the factories that in order to keep that from getting muddied and filled with grit when they roll it over carrying it to the cars, that bagging shall be put under hoops reaching to the end and on the underside so as to cover the cotton and leave none open. That is what is called "splicing sides."

"Sample holes" are the cuts in the side where the buyer, sampling the cotton, runs his gimlet in and twists it around to get out a fair sample. He runs it in sometimes a foot and twists it around and pulls the cotton through. That is to find whether the bale has been padded by having good, nice, white cotton put on the outside and having dirty and inferior cotton put in the inside of the bale. When it gets to the compress they put a patch over that cut. That is what the Senator means by "patching sample holes."

Mr. LODGE. I only want to say, in conclusion—for I do not want to take any time—that I have not the slightest doubt that if bagging and ties were admitted free the New England mills would cease to pay for them; but, Mr. President, I see no reason why industries, such as the manufacture of bagging and ties, fairly built up under the system of tariff that we have had for many years, are not entitled to a reasonable protection like any other industry in this country. I do not want to discuss the question further. I merely want to put in the RECORD the papers to which I have referred.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The papers referred to are as follows:

HAMILTON MANUFACTURING COMPANY,
TREASURER'S OFFICE,
Boston, September 1, 1907.

All purchases of cotton after this date by the Hamilton Manufacturing Company will be subject to the rules adopted by the Arkwright Club, as follows:

The bagging and bands on any one bale shall not exceed 22 pounds.

All bagging and bands appearing to be excessive in weight will be weighed when the bale is opened at the picker, and claim for overweight made on the shipper.

Claims for extra bagging and bands to be good for fifteen months from purchase of cotton.

CHICOPEE MANUFACTURING COMPANY,
Boston, August 1, 1903.

All purchases of cotton after this date by the Chicopee Manufacturing Company will be subject to the following conditions:

Invoices, accompanied by duplicate bills of lading, and all other correspondence should be addressed to the Chicopee Manufacturing Company, post-office box 2966, Boston, Mass.

State on invoice date of order and the name of the broker.

Invoices of 100 bales of one mark preferred.

Drafts must be drawn at sight on the Chicopee Manufacturing Company, Albert Greene Duncan, treasurer, 70 Kilby street, Boston, Mass.

Bills of lading must state route, especially the port, if a rail-and-water shipment, and should read: "Notify Chicopee Manufacturing Company, Chicopee Falls, Mass. Drafts will not be paid on bills of lading containing clauses giving the carrier the benefit of insurance or which limit the time in which notice of loss of damage must be given or suits instituted.

Drafts will not be paid on bills of lading representing shipments from different points under the same mark.

Insurance will be effected by the mill.

All purchases, except from the Atlantic States, are made on the basis of all-rail insurance, and any excess in rate of insurance on cotton from Gulf ports will be charged to the shippers.

Weights on bills of lading to agree with invoice weights.

Loss in weight not to exceed 3 pounds per bale, with cotton in a sound and dry condition.

Cotton received wet or damp will be set aside to dry before weighing at the mill.

The general outturn of each shipper's weights will be carefully considered in purchasing.

Tare. The bagging and bands on any one bale shall not exceed 24 pounds, and all bagging and bands appearing to be excessive in weight will be weighed when the bale is opened at the picker, and claims for overweight made on the shipper. These claims to be good for fifteen months after the purchase of the cotton.

Claims will be made on all cotton found to be below the grade and staple specified in the sale note when sampled on arrival at the mill, and if cotton should be so far below grade and staple that we can not use it shipper must replace it.

Claims will also be made against the shipper for mixed packed, false packed, water packed, country damaged, or plated bales. These latter claims to be good until the cotton is used. In making all claims each invoice or mark will be considered by itself regardless of the number of bales in the sale.

Yours, truly, ALBERT GREENE DUNCAN,
Treasurer.

DESCRIPTION OF CONTRACTS FOR COTTON FOR FUTURE DELIVERY, AS DEALT IN AT NEW YORK AND NEW ORLEANS.

The New York contract is for 50,000 pounds (gross) in about 100 square bales cotton, growth of the United States, to be delivered from licensed warehouse in the port of New York during the month agreed. The delivery to be at seller's option upon three days' notice to buyer, and from one warehouse.

The cotton to be of any grade, from good ordinary (white) to fair, inclusive, and if tinged or stained, nothing below "middling, stained" to be delivered.

Price to be for middling, with additions or deductions for other grades according to the rates of the Cotton Exchange existing on the afternoon of the day previous to the date of the notice of delivery. Certificates of inspection, classification, and weights issued by the "inspector in chief of cotton" of the New York Cotton Exchange to be tendered with the cotton and made the basis of settlement. (For details, see p. 92.)

Payment to be made upon the day of delivery of warehouse receipts for the cotton.

Either party to have the right to call for margin, as the variations of the market for like deliveries may warrant. An original margin up to $5 per bale, to remain in trust company until settlement of the contract, may be required by either party, provided demand therefor is made within twenty-four hours after the transaction. The party demanding original margin must also deposit an equal amount himself. All margins are required to be deposited in a trust company or bank.

The New Orleans contract differs from the New York contract as follows:

The seller gives five days' notice of delivery and can deliver from cotton presses and railroad depots and can deliver from two places.

The lowest grade of stained cotton tenderable is "low middling, stained," and the receiver has the right to refuse all sandy, dusty, red, or gin-cut cotton. Dusty cotton being defined under the contract as cotton lessened in value more than one-eighth of a cent per pound by reason of dust and "sandy cotton" as cotton containing more than 1 per cent of sand. Cotton is weighed and classed for each delivery.

Mr. BACON. Mr. President, the contention of the Senator from Massachusetts, that the seller of cotton gets back the price of bagging and ties, and that therefore he should not have his ties duty free, I suppose may be considered as to some extent at least an admission that he should have free ties if he does not get back the price. It would certainly be a strong argument why bagging and ties should be allowed to the cotton producer free of tariff duty. It is utterly impossible for me to see upon what grounds the Senator from Massachusetts can base any such contention. If I may have his attention for a moment, I should like to put the case to him in a way which, I think, must cause him to recognize his mistake. The price of cotton is regulated in Liverpool, and that price is for net cotton, the cotton without any addition on account of bagging or ties; in other words, it is the price which we are paid for cotton when it reaches Liverpool and the bagging and ties have been deducted therefrom, or an allowance of 6 per cent made for them, which is little more than the same thing, as explained by the Senator from South Carolina.

That price is communicated, say, to Savannah, which is a large cotton port, the third largest in the United States. That fixes the price of cotton per pound in Savannah, the tare being taken into consideration and the transportation, insurance, and so forth, also being taken into consideration. If there were one class of sellers to the foreign purchaser and another class of sellers to the domestic purchaser, it might be, as the Senator suggests, that there is a gross weight considered in the one case and a net weight in the other. If there were different classes of purchasers, recognized as such and allowed different prices as such, in the one case the price being fixed to the foreign purchaser on the net cotton and in the other case the price being fixed to the domestic purchaser on the gross cotton, there might be ground for such a contention, but such is not the case. Cotton is sent to a warehouse or samples are sent to a factor.

They are spread out upon a table, classified, and graded. Purchasers come in, and the factor names a certain price on this grade of cotton, a certain price on another grade of cotton, and a certain price on yet another grade of cotton. He does not say "it is so much gross to you," speaking to a domestic purchaser, and "so much net to you," speaking to a purchaser for foreign export, but the price is fixed exactly at the same rate for each purchaser. In each case it is a price of so much per pound gross. To say that the purchaser who buys cotton for export is charged a greater price because it is on the net cotton than is given to the domestic purchaser because his is on the gross weight is utterly untenable. It is the same price to each; in each case it is so much a pound gross; and in each case the factor, in fixing the price, is fixing it on the basis of the net price in Liverpool. If it has this tare upon it when sold gross here, of course the price is diminished in that proportion—necessarily so. If that were not true, of course the domestic purchaser would go and buy cotton upon the representation that he was buying it for export, or vice versa.

Mr. TILLMAN. And we would have two prices of cotton.

Mr. BACON. Yes; we would have two prices of cotton. But there are not two prices of cotton. One man buys for export, and another man buys for domestic consumption. They both buy from the same man, from the same table of samples, and at the same price; and that must necessarily be the case. Not only does the producer of cotton lose the tare, the 6 per cent which goes on cotton to foreign ports, but he loses it to the domestic consumer just the same. That is so because the price is fixed in Liverpool at the net price of cotton, and the tare is deducted therefrom; and when the price is fixed in Savannah or Charleston or New Orleans, the price is necessarily fixed with reference to what it will yield net. There is no possibility of doubt about it.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Utah?

Mr. BACON. I do.

Mr. SMOOT. I should like to ask a question of the Senator as to the actual practice in this country. Does the American manufacturer in buying a bale of cotton pay for 500 pounds?

Mr. BACON. If it weighs that much on the scales; yes.

Mr. SMOOT. I mean with the bagging and ties and all?

Mr. BACON. Yes.

Mr. SMOOT. He pays for the gross weight?

Mr. BACON. For the gross weight; that is the universal custom in this country.

Mr. SMOOT. And he pays the Liverpool price?

Mr. BACON. The Liverpool price.

Mr. SMOOT. Then the American buyer is certainly at a disadvantage, because the Liverpool price is made upon the net weight of the cotton.

Mr. BACON. Exactly.

Mr. SMOOT. Let us take an example: In Liverpool they pay for 470 pounds?

Mr. BACON. Yes.

Mr. SMOOT. That, at 10 cents a pound, would be $47. That same bale of cotton, at 10 cents a pound in this country, Liverpool making the rate 10 cents, would be $50, would it not?

Mr. BACON. No; the Senator is all wrong.

Mr. LODGE. That is exactly what our mills pay. They pay $50 for the bale that sells for $47 in Liverpool.

Mr. BACON. The Senator has asked me a question, and I will reply to it.

Mr. SMOOT. If that is not the case, I do not see the soundness of the position taken by the Senator—that we pay on the gross weight and England pays on the net weight.

Mr. BACON. If the Senator will permit me, I will explain that to him. It is very simple. As he says, a 500-pound bale of cotton is paid for in Liverpool at the rate of 470 pounds. When that price is transmitted to New Orleans, for instance, which is the largest cotton port, and a 500-pound bale is put up for sale, the price of that 500-pound bale per pound is graduated by what would be the net price—not by the gross price—although it is paid for as a 500-pound bale.

Mr. TILLMAN. They pay at the rate of $47 for it.

Mr. BACON. Yes; as suggested, if the price of the bale in Liverpool is $47, or 10 cents per pound net, when the price came to be fixed in New Orleans it would not be 10 cents on 500 pounds; but they would figure out how much it would be per pound of a 500-pound bale if it were only 470 pounds, and how much in addition to that must be deducted for the transportation.

In that way the price of the cotton per pound is fixed, not, as the Senator suggests, by giving the same price for the gross weight that is paid for the net weight, but a price is paid for the gross weight which is equivalent to the net price. Although it is paid for gross, there is a deduction made in the price, so that it is the equivalent of the net price.

Mr. SMOOT. Then the position the Senator takes is this——

Mr. BACON. It is not a position; I am stating the fact.

Mr. SMOOT. Then the facts, as they Senator says they are, are these: Instead of getting 10 cents a pound, if that is the Liverpool price, the cotton grower here does not get 10 cents?

Mr. BACON. Of course not.

Mr. SMOOT. Then he does not get the Liverpool price?

Mr. BACON. He gets the Liverpool price figured down so as to exclude the tare.

Mr. TILLMAN. I will explain the idea to the Senator. The buyer figures in this way: "I have to get this 500-pound bale of cotton at $47."

Mr. BACON. Yes.

Mr. TILLMAN. "I have to get it at the Liverpool rate." Therefore he makes a rule of three: "As $50 is to $47, so is 10 cents a pound to the price I have to pay."

Mr. BACON. Less transportation.

Mr. SMOOT. Then, instead of being 10 cents a pound, as at Liverpool, the price is 9.4 cents here?

Mr. TILLMAN. Yes.

Mr. BACON. Yes; but the difference is this, if the Senator will pardon me: If the price were fixed here, of course the Senator would be correct; it would be 10 cents here and that much more in Liverpool, because of the cost of transportation. That would increase the price. If the price were fixed here, when it got there is would be that much greater, of course. But the price is fixed there, and it is a net price; and the Senator from South Carolina has stated the matter with absolute clearness and accuracy.

Mr. TILLMAN. Except for this—that cotton at Liverpool is quoted in pennies.

Mr. BACON. Yes.

Mr. TILLMAN. And in figuring out just what they shall pay in cents, they allow for the difference in exchange, whatever that may be, and fix the price according to that rule.

Mr. BACON. Yes; exchange, transportation, insurance and freight all have to be figured. Upon the basis of $47 in Liverpool, as stated by the Senator from South Carolina, the calculation is made, taking all these elements into consideration, as to what can be paid for the same cotton, estimating it as a gross article. There is no question in the world about it, Mr. President. It is beyond possibility that any man who knew anything about business would think that cotton could be bought in New Orleans at one price if it was going abroad and be bought at another price if it was going to stay here; because in that case the man would always purchase it for the particular purpose for which he could get it the cheapest.

Mr. TILLMAN. Let me state here, Mr. President, that if we ever get to the point in this country where we consume all the cotton that is produced, and only send it abroad when they give us a bonus for it, we will fix the price, and they will pay for all these privileges and deductions.

Mr. BACON. We had this identical question here twelve years ago, when the Dingley bill was before the Senate, and when the matter of free bagging and ties was being discussed; and all this matter was thrashed out then. There is no question about the fact that the seller of cotton does not get back one single particle of the price he pays for the bagging and ties. It is an absolute dead loss, not only as to cotton that goes to Europe, but as to cotton that goes to Massachusetts, to Fall River, or anywhere else.

Mr. MONEY. Mr. President, this subject has been so lucidly explained by the junior Senator from South Carolina, by the Senator from Georgia, and by the senior Senator from South Carolina, that it seems to me it is unnecessary for me to say anything, except as to the continuance of the illusion that seems to prevail in some quarters about it.

It has been just about thirty years, or probably thirty-one years, since I had a debate on this subject in the House with Mr. Ballou, a cotton manufacturer of the State of Rhode Island, and a most excellent gentleman he was. He made the very statement that has been made here to-day—that the cotton manufacturer paid for the bagging and the ties. I think I showed very clearly, and I know I convinced that gentleman, that there was a tare and tret, as has been explained, in Liverpool, and that in this country the tare and tret did not come off in the weight, but is reduced in the price. It is so simple a thing that I do not see how there can be any misunderstanding about it. I know very well that there is not a single Senator here who would attempt to make an erroneous statement concerning it or to leave a false impression, but they are in the receipt of letters such as have been filed by the junior Senator from Pennsylvania, which are enough to mislead anyone who has any confidence whatever in the writer. I do not know who Mr. Kelley is, and I do not know what he is doing in Tallapoosa, but I know that one of two things is true: Either a man who is so purely and crassly ignorant of the matter should never attempt to give any information or his cold mendacity should meet some sort of reproof. If he knows anything about the question upon which he is attempting to instruct people, he knows, when he writes that letter, that there is not a single word of truth in his statements.

It is simply absurd to suppose that any manufacturer on earth will give anything for old junk. You can not use the old ties except for scrap iron, and you can not use the old bagging from a bale of cotton except for raw material. It can not be again used as bagging without being remanufactured. No man ever will pay for it, and no man ever has yet paid a single cent for it.

I planted cotton all my life until four years ago. When I or my manager informed the cotton buyers by telegraph or telephone that there were a certain number of bales of cotton waiting to be bought, two or three of them would come up and bid upon it. Some of those men were buying for eastern markets; one of them was buying for Liverpool; but it has been many years since any cotton has gone from that far up the Mississippi to New Orleans. It nearly all goes east by rail. Some of it, as I said, is exported, and some is used at home. But it never occurred to anybody that the man who was buying the cotton for Liverpool and the man who came with him buying for an eastern market were going to bid except upon the quality of the cotton, the length of its fiber, its freedom from what is called "nap" or the entanglement of the soil, the dust or dirt in it, and the stain that results from rain. Quality is the only thing that is ever considered. But while it is so plain and simple to people who know something about cotton, I can understand very well that a Senator who does not know anything about it can be easily misled by misinformation. I do not care what quarter it comes from—in some cases, I suppose, people who undertake to give information are simply not informed; but in other cases I am inclined to think it arises from a pure effort to deceive and leave a false impression.

That seems to be a harsh thing to say, but I think it is justified by the facts of the case. Of course to any man who lives in the cotton country it is perfectly plain how this thing works. I know, too, that there is some difficulty about understanding it elsewhere. This whole question of tare and tret ought to be worked out legitimately here, just as it is in England, and then it will be plain to everybody. But it is not, and we see the result that follows.

It has been thirty or thirty-one years since I had this very question up in the House, and it was argued out. I know that Mr. Ballou—who was, I believe, a Quaker, and I know he was every inch a gentleman—confessed that he was wrong about it, and that he was convinced he was mistaken. He admitted that, although he had been a cotton buyer, and had been under the impression—as I know he was, from what he said—that he had been paying the ruling price on cotton for old junk, which was absolutely useless to him or anybody else, and went to the scrap heap.

Mr. DICK. Mr. President, the memorandum I have on this cotton-ties question I submit to the Senators from cotton States; and if the statements are not correct, I shall be very glad indeed to have them corrected.

The price to dealers this season (1909) in quantities at warehouses throughout the South has ranged from 60 cents to 75 cents per bundle.

That one bundle cotton ties weighs 45 pounds and contains 30 ties.

That six ties, weighing 9 pounds, are ordinarily used on each bale of cotton.

That the domestic price at the maximum figure this season, viz, 75 cents per bundle, equals $37.33 per gross ton.

That present import price is $31.20 per gross ton in bond.

The duty in the Dingley law, paragraph 129, is five-tenths cent per pound, and is equal to $11.20 per gross ton.

The rate in the Payne bill, paragraph 123, is three-tenths cent per pound, and is equal to $6.72 per gross ton.

The Dingley tariff on cotton ties is therefore 22½ cents per bundle, equivalent to 4½ cents per bale of cotton.

The Payne tariff is 13½ cents per bundle, equivalent to 2.7 cents per bale of cotton, or a reduction of 40 per cent on the present law.

According to my information, cotton ties are retailed to the farmers, delivered at the railroad stations throughout the cotton belt, at 2 cents per pound.

It takes 9 pounds of cotton ties to bale one bale of cotton, at a cost to the farmer for the ties of 18 cents per bale.

One bale cotton weighs about 500 pounds and, valued at 10 cents per pound, sells for $50.

The farmer pays 18 cents for his cotton ties and sells them, included in the weight of his bale of cotton, for 90 cents, a profit of 72 cents.

Based on the market price to-day for a bale of cotton, the cost of the cotton ties is equivalent to nine twenty-fifths of 1 per cent of the value of the cotton contained in the bale. According to the rules and practice of the New York Cotton Exchange, cotton has always been sold at gross weight, which includes the weight of the cotton ties and the bagging. This same rule and practice controls in all other cotton exchanges throughout the United States, so I am informed.

Mr. SMITH of South Carolina. Let me make a statement right here.

Mr. DICK. Certainly.

Mr. SMITH of South Carolina. Before that is fixed there has been deducted on the 10 cent a pound cotton $3. Now then, calculate how much has he lost. Let him have $1.10 for that, and then lose $3 in tare, and he has lost $1.90. That is making money fast.

Mr. DICK. The Senator assumes that the reduction made in Liverpool must apply in this instance. With that proposition I can not agree.

Mr. SMITH of South Carolina. That is absolutely true.

Mr. DICK. The cotton purchasers of this country and the cotton manufacturers of this country make no deduction for tare, except where it is in excess of 22 or 24 pounds to the bale. Am I right about that?

Mr. SMITH of South Carolina. He does not deduct any tare until it gets to 30 pounds, but you must understand that the 30 pounds is deducted in the world-fixing market of Liverpool. Suppose cotton is 11 cents. There is a difference of a cent between the Liverpool and the American price. There is deducted $5 from that bale of cotton, in order to cover fixed charges; therefore cotton at 11 cents in Liverpool is 10 cents in America. That $5 a bale is $2 for commissions, insurance, and freight, and $3 for tare. There is where you come. You get only $50, whereas, if your tare was not deducted, you ought to get $53. It is as simple as it can be.

Do you suppose any American cotton buyer would buy a bale of cotton at gross weight and sell it to the Liverpool man less the bagging and ties?

Mr. DICK. I think the Senator's colleague answered that question perhaps better than I can. He said that when we consume at home all, or approximately all, the cotton we produce in this country, we will fix the rules with reference to all these matters. My contention is—and I think it is in harmony with the suggestion of the senior Senator from South Carolina himself—that Liverpool does not fix the price. The law of supply and demand does that. Liverpool simply registers the price.

Mr. TILLMAN. I did not say that Liverpool does not fix the price, because Liverpool is the great cotton mart of the world. India ships her cotton to Liverpool, Egypt ships her cotton to Liverpool, and all the American surplus goes to Liverpool. Of course, there are shipments to Genoa and Bremen, and the French ports—Marseille, and so forth. Some little goes to Spain and some little to Austria. But the whole of it is rated on the Liverpool price. Where is the price of wheat fixed?

Mr. DICK. The price of wheat, I insist, is fixed by the law of supply and demand.

Mr. TILLMAN. Sure; and the law of supply and demand has its office in Liverpool.

Mr. DICK. And the price of cotton is fixed by the law of supply and demand, and it is registered in Liverpool. Wheat and cotton are subject to the same commercial laws, and with precisely similar results.

Mr. MONEY. Will the Senator from Ohio permit me?

Mr. DICK. Certainly.

Mr. MONEY. I wish to add one word that I forgot to mention, and that is as to the complaint which I understand has been voiced from some buyer that he had to pay for excessive waste, in excessive bagging and excessive ties, leaving the very bad impression that the cotton planters of the South were putting in more bagging and ties than were necessary.

Mr. DICK. Oh, no.

Mr. MONEY. That is what was said.

Mr. TILLMAN. That charge has been made. The Senator from Mississippi knows it.

Mr. DICK. Of course I said nothing of that kind.

Mr. TILLMAN. I know.

Mr. MONEY. I do not say the Senator did. But somebody did. In the first place, the great complaint made against the cotton planter of the South is that he does not put enough of bagging or of ties on his bale to make it secure. That complaint comes constantly from Liverpool, and every cotton dealer of any extent in the United States has sent around photographs of a bale of Indian cotton on the dock at Liverpool, of the Egyptian bale, of the Brazilian bale of cotton, and of the American bale of cotton, and in every instance the American bale is about half wrapped up, the cotton extending in every direction on account of the imperfect wrapping, the bale entirely out of shape and cotton lost in every direction. That is the common complaint, and it is a just one. Endeavor has been made to have the farmers put enough bagging on their cotton to preserve the fiber from the weather and the dirt. That is a common case.

Of late years public ginners have been doing all the ginning, except on the large plantations. These ginners gin the cotton for a certain price, and they put the bagging and ties on it, and the farmers are continually complaining of these ginners that they will not put enough of bagging and ties on their cotton to preserve it. That is one of the complaints which the Senator can find anywhere by making inquiry.

That charge against the Southern cotton planter must fall to the ground, because the fact is just exactly the reverse. If you find a bale superabundantly wrapped, it is due to a mistake and is not a matter of intention on the part of the farmer to pay for more than is necessary to get the cotton to market.

Mr. DICK. Before the Senator from Mississippi takes his seat, I should like to ask him a question. Is the rather indifferent baling responsible for any part of the $3 deduction?

Mr. MONEY. Oh, no; that is simply tare and tret. It is an average of 6 per cent—I do not care what the weight may be—that is taken off. Suppose 50 pounds have been lost in transit on account of imperfect bagging. The 30 pounds comes off just the same, because 500 pounds is the average bale.

The tare is not deducted by the weight of each individual bale, but by the average 500-pound bale, and it is 30 pounds. Even if the cotton bale weighs 600 pounds, only 30 pounds are taken off, and if it weighs 400 pounds it comes off. For this reason it has been inculcated over and over again a million times into the Southern mind that the farmer must put up his bale at about 500 pounds. I have known some cases where they have put seven or eight hundred pounds into one bale, because they wanted to save freight on the railroad, which charges by the bale and not by the pound.

Mr. DICK. There is another question, if I may ask it.

Mr. MONEY. Certainly.

Mr. DICK. Is that rule universally applied to other countries as well as to the United States?

Mr. MONEY. What rule?

Mr. TILLMAN. Our bales in America are heavier than in Europe or in England.

Mr. MONEY. There is no sort of comparison between the American and the Egyptian and Indian bale.

Mr. SMITH of South Carolina. If the Senator will allow me, he asked about a rule. Did he mean the amount of tare?

Mr. DICK. Yes.

Mr. SMITH of South Carolina. The Egyptian cotton is not packed in what we call "bagging," in the rough jute, but in fine burlap, and with four times as many ties as an American bale. It is also compressed to a great density and carries 750 pounds to the bale, and only about 3 per cent is deducted for tare.

Mr. TILLMAN. I was going to remark that it would be a great reflection upon the sense of the southern cotton planters if they could buy ties at 5 cents a pound and sell them at 10. that they did not get rich. They could wrap and rewrap them and have practically nothing but the bagging itself. But our friends abroad who buy from us will not take it in that way.

Mr. DICK. I am not objecting to any profit the cotton planter may get out of the ties he purchases and sells to some one else. I was only thinking that if my information is correct, and that if cotton ties sufficient for a bale of cotton could be purchased for 18 cents and sold for 90, the matter has been already very largely adjusted and altogether in favor of the cotton planter. I was led to believe all that as set out by the rule which has been adopted by the Arkwright Club, which the Senator from Massachusetts has already read, and some correspondence which came to my hand during the consideration of this bill.

I have, among others, a letter from William G. King, superintendent of the New York Cotton Exchange, who, under date of May 19, 1909, says:

The Arkwright Club, Boston, Mass., is an association of cotton buyers and has certain rules for buying cotton. The regulations for purchasing, regarding weight, are covered by rules No. 1 and No. 2, as follows:

"1. The weight of bagging and ties shall not exceed 22 pounds per bale, and claims shall be made on the excess over that weight.

"2. Claims for extra tare shall be good for fifteen months from purchase of cotton."

The rules adopted by the Arkwright Club are followed by all purchasers of cotton and are in accordance with the rules and practice which have controlled the leading exchanges in the United States for many years.

The following is an extract from the circular letter of the Hamilton Manufacturing Company dated Boston, September 1, 1907:

"All purchases of cotton after this date by the Hamilton Manufacturing Company will be subject to the rules adopted by the Arkwright Club, as follows: 'The bagging and bands (ties) on any one bale shall not exceed 22 pounds. All bagging and bands appearing to be excessive in weight shall be made when the bale is opened at the picker, and claims for overweight made on jobber. Claims for extra bagging and bands to be good from fifteen months from purchase of cotton.'"

Chickopee Manufacturing Company, in circular letter dated Boston, August 1, 1903:

"Promulgate rules allowing a tare of 24 pounds for all bagging and bands (ties)."

The following are abstracts from letters written by William G. King, superintendent New York Cotton Exchange:

MAY 19, 1909.

The farmer or broker pays for the bagging and ties, but gets back the cost thereof in selling his cotton by its gross weight to the buyer. In this country no allowance is made for ties or bagging by the farmer to the buyers except in occasional instances where the farmer has put on more bagging than will cover the bale, in which event the extra bagging is cut from the bale before weighing the latter.

As a matter of fact, therefore, the buyer in this country bases the cost of the ties and bagging in paying for each bale by its gross weight.

NEW YORK, *June 9, 1909.*

In answer to your inquiry of this date, cotton has always been delivered in the port of New York upon the gross weight of the cotton; and I believe this is the universal custom throughout the United States for American cotton.

Mr. TILLMAN. That is entirely correct, so far as it goes; but it does not state that the price which has been arranged on that cotton has taken into consideration that there is so much bagging and ties which must be deducted, and that is allowed for in the price.

Mr. DICK. Does not the Senator think that in a very large degree his grievance has been modified by the fact that under existing conditions we have established great cotton factories in this country and consume a very great portion of the supply here, which consumption goes on increasing and will, I hope, continue to increase until his own desire may find its consummation, namely, that we shall consume in this country all the cotton we raise?

Mr. TILLMAN. I hope to see that some day. No; I will not see it. I will be dead before it comes.

Mr. DICK. I hope not.

Mr. TILLMAN. But it will come.

Mr. DICK. Then my information is correct that cotton is regularly bought and sold on the basis of the gross weight of the bale, including the weight of the bagging and the weight of the ties.

The standard practice, covering all contracts for the purchase or sale of cotton, provides a limit of 22 pounds per bale for the weight of the bagging and the cotton ties. All tare—that is, weight of bagging and cotton ties—in excess of 22 pounds is not paid for.

Again, in the matter of deductions in the weight of baled cotton: An examination of the statute law of most of the cotton States indicates that while some of them have forbidden any deductions from the actual weight of the bale of cotton for any purpose whatever—scalage, breakage, or any other deduction—that the same object is accomplished by compelling all cotton purchased and sold to be weighed by public weighers elected by the locality producing the cotton and in sympathy with them, and whose decisions are final and invariably in favor of the seller of the baled cotton.

Section 1510, of the Sandels and Hill Digest of the Statutes of Arkansas, says:

It shall be unlawful for any person who weighs cotton in the State of Arkansas to take off anything for scalage.

The act 284 of Arkansas, 1905, creates a public weigher in the counties of Howard, Columbia, Garland, Polk, Montgomery, Nevada, White, and Clark, and as amended by act 243, of 1907, provides that any person or persons other than the said cotton weigher or his deputy, who shall weigh or attempt to weigh cotton within his jurisdiction, shall be guilty of a misdemeanor and fined not less than $10 and not more than $25 for each bale of cotton so weighed.

Quoting Mayfield's Criminal Code of Alabama, volume 3, published 1907:

6671. (1389) (1186) (1411) (1160) (931). What unlawful in buying cotton. It shall be unlawful for any person, firm, company, or corporation, in buying baled cotton or in weighing said cotton for sale, to deduct from the actual weight thereof, as shown on a level-standing beam of the scale, or to use in weighing cotton untested weights, so as to deprive the seller of the cotton of any of its real value.

Genesis on Statute, Loulmin's Digest, page 103, provided a heavy penalty for failure to securely inclose cotton gins or to allow cotton seed to be deposited in streams. (Amended Dec. 3, 1890, p. 23; Feb. 28, 1887, p. 72, sec. 1.)

6672. (1390) (1187) (1412) 1161) (923). Penalty for making deductions, etc. Any person, company, firm, or corporation who violates the preceding section shall be guilty of a misdemeanor, and on conviction, be fined in each case not less than ten or more than fifty dollars. But deductions may be made by mutual consent of buyer and seller, or their authorized agents or representatives, on wet or damaged cotton bales, on each bale so weighed or deducted from. (Dec. 3, 1890, p. 22; Feb. 28, 1887, p. 72, sec. 2.)

South Carolina. Code of Laws, 1902. Volume II. Criminal Code:

SEC. 343. Any person who shall put and make the charge known as "breakage upon the weighing of cotton" shall be guilty of a misdemeanor, and on conviction thereof shall be fined not more than $25 or imprisonment of not more than thirty days, or both, in the discretion of the court.

SEC. 351. It shall be unlawful for any cotton buyer to refuse to accept any bale of cotton after he has bought the same by sample thereof, weighing over 300 pounds, provided the same corresponds in quality with the sample bought by; and any such buyer who docks or deducts any amount from the purchase price of any such bale of cotton or attempts to dock or deduct any amount from the purchase price of such bale of cotton shall be deemed guilty of a misdemeanor and fined not more than one hundred and not less than twenty dollars.

SEC. 353. Any person weighing cotton in a cotton market where a public weigher has been elected shall be deemed guilty of a misdemeanor and fined not less than five nor more than ten dollars for each offense.

The Civil Code of South Carolina, section 1552, provides for election of cotton weigher, who shall give an oath and a bond; whose compensation shall be not more than 10 cents a bale, to be paid in equal proportion by the buyer and the seller; who shall weigh all cotton sold in such cotton markets and give a certificate showing the weight of each bale or package of cotton weighed. It shall be his further duty to adjust any difference between sellers and buyers as to moisture and mixed or false packing.

Section 1555 makes special provisions for Sumter County.

Section 1556 for the town of Homeopath, and appoints a similar weigher.

Similar weighers are provided for many other counties.

Sales of cotton by other than the aforesaid public weighers are a misdemeanor.

Act 21, Laws of 1888, page 17, Louisiana, is an act to prohibit the deduction of 2 pounds or any number of pounds, known as "scalage," from the weight of cotton, and provides a penalty therefor:

SECTION 1. That it shall be unlawful for any purchaser or weigher of cotton to deduct 2 pounds or any number of pounds, known as "scalage," from the actual weight of any bale of cotton weighed or purchased by them.

SEC. 2. The purchasers shall account to the seller of cotton in all instances for the actual weight of the bale purchased or weighed, except in case of wet or damaged cotton, when the amount to be deducted may be agreed upon by the parties buying and selling.

SEC. 3. That for each violation of this act the offender shall be deemed guilty of a misdemeanor, and upon conviction by a court of competent jurisdiction he shall be fined not less than ten nor more than fifty dollars.

Article 575–579, Wilson's Texas Criminal Statutes, provides for appointments of public weighers and forbids other persons to weigh cotton under penalty of misdemeanor, $5 for each bale of cotton weighed. It permits a person to weigh his own cotton.

Section 4308, Sayles's Texas Civil Statutes, provides public weighers; forbids any factory, commission merchant, or person to employ any but a publicly appointed weigher; penalty of $5 for each weigher, and so forth.

I have no patience with the manufacturer who wants protection on his finished product, and yet asks for free raw materials, which are the finished product of somebody else; but my attention has not been called to any other industry which makes a profit of 300 per cent on the covering and wrapping in which it sells its product, and then comes here and asks that this covering be admitted free of duty at the expense of the American manufacturer of cotton ties.

Mr. CULBERSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DEPEW in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names.

Aldrich	Culberson	Guggenheim	Overman
Bacon	Cummins	Heyburn	Owen
Bankhead	Curtis	Hughes	Page
Borah	Daniel	Johnson, N. Dak.	Penrose
Brandegee	Davis	Johnston, Ala.	Perkins
Briggs	Depew	Jones	Piles
Bristow	Dick	Kean	Root
Brown	Dillingham	La Follette	Smith, Mich.
Burkett	Dixon	McCumber	Smith, S. C.
Burnham	du Pont	McEnery	Smoot
Burrows	Elkins	McLaurin	Stone
Burton	Fletcher	Martin	Taliaferro
Carter	Flint	Money	Taylor
Clapp	Foster	Nelson	Tillman
Clark, Wyo.	Frazier	Newlands	Warner
Clay	Frye	Nixon	Wetmore
Crane	Gallinger	Oliver	

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. There is a quorum present. The question is on agreeing to the amendment proposed by the Senator from Texas [Mr. CULBERSON].

Mr. CULBERSON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. ELKINS (when his name was called). I again announce my pair with the junior Senator from Texas [Mr. BAILEY], and withhold my vote.

Mr. OWEN (when Mr. GORE's name was called). I should like to announce in behalf of my colleague [Mr. GORE] that he was called from the Chamber unexpectedly, and that, if present, he would vote "yea."

Mr. PILES (when his name was called). I am paired with the Senator from Oregon [Mr. CHAMBERLAIN] for the afternoon, and withhold my vote.

Mr. SIMMONS (when his name was called). I wish to announce my pair with the Senator from Illinois [Mr. LORIMER]. If he were present, I should vote "yea."

Mr. SMITH of South Carolina (when his name was called). I transfer my pair with the Senator from Washington [Mr. JONES] to the junior Senator from Oklahoma [Mr. GORE], and I vote "yea."

The roll call was concluded.

Mr. JONES. I understand that the Senator from South Carolina [Mr. SMITH] has transferred his pair with me to the Senator from Oklahoma [Mr. GORE]. I transfer my pair to the Senator from Kentucky [Mr. BRADLEY], and vote "nay."

Mr. BACON. I am paired for the day with the Senator from Maine [Mr. HALE]. I transfer my pair to the Senator from Indiana [Mr. SHIVELY], and vote "yea."

Mr. HUGHES (after having voted in the affirmative). Did the Senator from Oregon [Mr. BOURNE] vote?

The PRESIDING OFFICER. He has not voted.

Mr. HUGHES. I am paired with that Senator, and I withdraw my vote.

Mr. SHIVELY. I am paired with the senior Senator from Maine [Mr. HALE]. If he were present, I should vote "yea." I withhold my vote.

Mr. MONEY. I wish to ask if my colleague [Mr. MCLAURIN] is recorded?

The PRESIDING OFFICER. He has not voted.

Mr. MONEY. My colleague is paired with the junior Senator from Michigan [Mr. SMITH]. If my colleague were present, he would vote "yea."

Mr. SMITH of Michigan (after having voted in the negative). In view of the statement of the Senator from Mississippi, I think I should withdraw my vote and let my pair stand. I should vote "nay," if the junior Senator from Mississippi [Mr. MCLAURIN] were present.

The result was announced—yeas 31, nays 38, as follows:

YEAS—31.

Bacon	Culberson	Johnson, N. Dak.	Overman
Bankhead	Cummins	Johnston, Ala.	Owen
Beveridge	Daniel	La Follette	Smith, S. C.
Bristow	Davis	McEnery	Stone
Brown	du Pont	Martin	Taliaferro
Clapp	Fletcher	Money	Taylor
Clay	Foster	Nelson	Tillman
Crawford	Frazier	Newlands	

NAYS—38.

Aldrich	Burnham	Crane	Dillingham
Borah	Burrows	Cullom	Dixon
Brandegee	Burton	Curtis	Flint
Briggs	Carter	Depew	Frye
Burkett	Clark, Wyo.	Dick	Gallinger
Gamble	Lodge	Perkins	Warner
Guggenheim	Nixon	Root	Warren
Heyburn	Oliver	Scott	Wetmore
Jones	Page	Smoot	
Kean	Penrose	Sutherland	

NOT VOTING—23.

Bailey	Dolliver	McCumber	Shively
Bourne	Elkins	McLaurin	Simmons
Bradley	Gore	Paynter	Smith, Md.
Bulkeley	Hale	Piles	Smith, Mich.
Chamberlain	Hughes	Rayner	Stephenson
Clarke, Ark.	Lorimer	Richardson	

So Mr. CULBERSON's amendment was rejected.

THE CENSUS.

Mr. LA FOLLETTE. Mr. President, I submit a privileged report.

The PRESIDING OFFICER. The report will be read.

The Secretary read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1033) to provide for the Thirteenth and subsequent decennial censuses having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 4, 12, 14, 21, 31, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 6, 8, 9, 10, 11, 16, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, and 36; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,875;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: Strike out the matter inserted by said amendment; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "That when the exigencies of the service require, the director may appoint for temporary employment not exceeding sixty days' duration from the aforesaid list of eligibles those who, by reason of residence or other conditions, are immediately available; and may also appoint for not exceeding sixty days' duration, persons having had previous experience in operating mechanical appliances in census work whose efficiency records in operating such appliances are satisfactory to him, and may accept such records in lieu of the civil-service examination;" and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: Strike out the matter inserted by said amendment; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the number proposed by said amendment insert the following: "33;" and the Senate agree to the same.

ROBERT M. LA FOLLETTE,
EUGENE HALE,
JAMES P. TALIAFERRO,
Managers on the part of the Senate.
EDGAR D. CRUMPACKER,
JAMES HAY,
Managers on the part of the House.

Mr. NEWLANDS. I simply wish to make inquiry of the Senator from Wisconsin. I observe that there is a provision in this act for a temporary employment of sixty days. I understand examinations are to be made for the regular service in the various States in accordance with the amendment to the bill adopted in the Senate.

Mr. LA FOLLETTE. That is true.

Mr. NEWLANDS. And to meet any emergency, temporary employees are authorized.

Mr. LA FOLLETTE. They are authorized, but their employment is limited to sixty days. The limitation was put on since the bill was under consideration in the Senate. There was a provision that employees might be without examination temporarily employed, but no limitation was fixed. That provision was in the bill when it was under consideration here and passed the Senate.

Mr. NEWLANDS. I will ask the Senator whether he thinks sixty days give a sufficient period?

Mr. LA FOLLETTE. In the opinion of the conferees, it was thought to be a reasonable provision and that it would give ample time for——

Mr. NEWLANDS. I wish also to inquire regarding the housing of the census force—some 3,000 or 4,000 men. I understand that the provision was entirely stricken out.

Mr. LA FOLLETTE. With respect to the purchase of property, it was.

Mr. NEWLANDS. What arrangement is proposed to be made regarding the housing of the Census Bureau?

Mr. LA FOLLETTE. Provision is made for that in the appropriation bill. It is expected that the extra force will be housed as in the last decennial census; that is, that the department will rent such rooms and apartments as are necessary to make provision for the census.

Mr. NEWLANDS. Would there be any authority under the bill appropriating $10,000,000 for this work to erect or to purchase a building, if that was thought more advisable than leasing?

Mr. LA FOLLETTE. I will say to the Senator that no provision is made for the purchase of a site or a building.

Mr. NEWLANDS. And no provision is made for leasing?

Mr. LA FOLLETTE. I am not certain whether the appropriation bill——

Mr. KEAN. Mr. President, it is utterly impossible to hear what is going on.

Mr. LA FOLLETTE. The appropriation bill was not assigned to the Committee on the Census. It was considered by the Committee on Appropriations.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

TAXES ON INCOMES.

Mr. ALDRICH. From the Committee on Finance, I report a joint resolution proposing an amendment to the Constitution of the United States, and if there is no objection I should be glad to have this disposed of without debate. I ask that it may be read.

Mr. TILLMAN. I thought we had an understanding that we would not deal with any of these constitutional or income tax or other amendments until we got through with the dutiable list.

Mr. ALDRICH. If the Senator proposes——

Mr. TILLMAN. I have an amendment which I wish to offer. I have been waiting here patiently in this oven about six hours to get a chance to present it.

Mr. ALDRICH. I ask that the joint resolution may be read and printed.

Mr. CULBERSON. I ask the Senator from Rhode Island if he has finished with the other schedules.

Mr. ALDRICH. No; I was only making this suggestion now, if it can be done without debate, by unanimous consent; but if there is any objection I shall ask to have the joint resolution read and printed, and I give notice that I shall call it up at the first convenient period and ask to have it disposed of without debate.

The PRESIDING OFFICER. The Senator from Rhode Island, from the Committee on Finance, reports a joint resolution, which will be read.

The joint resolution (S. J. R. 40) proposing an amendment to the Constitution of the United States was read the first time by its title and the second time at length, as follows:

Senate joint resolution 40.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

ARTICLE XVI. The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States and without regard to any census or enumeration."

The PRESIDING OFFICER. If there be no objection, the joint resolution will be printed and lie on the table.

Mr. BORAH. Do I understand that it is the intention to take up this amendment before the income-tax amendment is disposed of?

Mr. ALDRICH. I thought perhaps the Senate might be able to dispose of it without debate. If they can, that might be done. If not, I shall not press it until after the income-tax provisions are disposed of.

Mr. BORAH. But not before the income-tax amendment if it is to be opposed?

Mr. ALDRICH. I certainly have no disposition to do that unless it can be done by unanimous consent.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. TILLMAN. I ask that the amendment which I offered in regard to tea may be called up.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. On page 80, after line 3, it is proposed to add a new paragraph, as follows:

258½. Tea, 10 cents per pound.

Mr. TILLMAN. Mr. President, it is, I think, the tenth week we have entered on that we have been debating the tariff bill, strenuously and with considerable heat at times. It is too warm, or hot, to use a better term, for me to consume much time of the Senate in presenting this amendment, but there are certain facts which stick out very prominently which I want to have Senators consider, though I know in advance, in a way, that many men's minds are already made up, and that it is understood the Committee on Finance have refused absolutely to give any favorable consideration to this proposition. We all know what the refusal of the chairman of that committee, who always speaks for the committee and speaks with authority, means. When that committee says "no," the Senator says "no;" and when the Senator from Rhode Island says "no," the committee says "no." Therefore, I might forego the discussion of this question if it were not that I want to get the protectionists in this Chamber in an uncomfortable condition or situation.

Mr. FRYE. They are in one.

Mr. TILLMAN. The Senator from Maine says we are undoubtedly very uncomfortable now, and I agree with him. I will say I feel we are very near the devil's kitchen and the fumes from below are coming up. Probably some of us are having foretaste of what we are going to get hereafter for our sins committed in this Chamber during this debate. This duty on tea is taken as a joke by many on that side of the Chamber, and I have not taken the trouble to try to proselyte anybody.

I have facts here, with which very few Senators are acquainted, that ought to give me the support of every man on this side, and I shall present arguments which ought to give me the vote of every man on the other side. So I ought to get this duty imposed without a single adverse vote.

Mr. President, this bill is labeled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes." If we consider the tariff question in general, it is very evident to any student of that subject that there are two schools, and that there have been two schools, of political economy in regard to it from the beginning of our Government. There are those who believe that the tariff is a tax, and that no duty should be levied except for the purpose of raising revenue. There are those who have come to believe—and they are in the majority now in this Chamber and probably in the country for the time being—that, in addition to levying a tariff for revenue, it is permissible and lawful to levy a tariff solely to encourage American industries or to protect American labor against foreign labor. I am going to address myself, first, to my Democratic brethren on the subject of revenue.

We are told by the officials that we are from ninety to one hundred million dollars behind on account of the deficit, the revenues not equaling the expenditures; and this bill is ostensibly to be passed to give us additional revenue. Tea, with a tariff of 10 cents a pound, offers to the people of this country and to the Treasury between nine and ten million dollars.

The duty will be generally levied. It is not upon an article of prime necessity, because there are a great many millions of Americans who do not drink tea. There are others who drink tea and love it, and to whom it has become, in a way, a necessity, just as whisky is a necessity for other people and tobacco a necessity for still other people. But it is not a real necessity of life.

As this proposed duty on tea would give us $9,000,000 revenue, we will say, in round numbers, thereby increasing the revenue to that extent, I do not see for the life of me how any Democrat can object to voting for it if he wants additional revenue, and especially when Senators on this side have advocated duties on lumber and iron ore—for which I voted—quebracho, and one thing or another here, which gave revenue while affording some degree of encouragement—I will not say "protection"—to certain local industries. I do not see for the life of me how any man who simply votes for a revenue tariff can object to giving the Government the power to levy and collect this duty on tea.

Coming to the other side of the Chamber, I want to say to those who have grown so eloquent and stiffened their backs and hardened their hearts on the question of protection, who are just now refusing us this little modicum or pittance on cotton ties on the ground that it is necessary to protect Carnegie & Co. in the manufacture of them—I want the Senator from Rhode Island to listen carefully to this, and not to turn his back on me. I expect him to turn it on me a little later, and if he will go out of the Chamber when the vote is taken, I think I may be able to get my proposition through; but I want him not to go away from here at present, because I am going to address myself to him as the Senate. He is not only the Committee on Finance, but to all intents and purposes he is the Senate of the United States in the making of this law, and he knows it. [Laughter.]

Mr. ALDRICH. Mr. President——

Mr. TILLMAN. Now, do not be modest. It is not becoming to you——

Mr. ALDRICH. Mr. President, there are some statements that cease to be jokes by constant repetition.

Mr. TILLMAN. This is not a joke. It is spoken in dead, cold earnest, because it is a fact.

But I want to say to the Senator that the claim on the other side of the Chamber and the Republican proclamation is that they want to protect American industry and American labor. Is not that true, I ask the Senator from Rhode Island directly?

Mr. ALDRICH. I say it is true that seems to be the doctrine of the Republican party.

Mr. TILLMAN. Now I ask the Senator and his brethren on the other side of the Chamber to give me a duty on tea to help protect an American industry which is struggling and is in its infancy; but it is a lusty little baby and can cry; and if the Senator thinks we do not produce tea, I will give him some nice tea to-morrow from South Carolina that will cool his "inwards" and will make him feel so good that I think he will agree to give us this duty. [Laughter.]

Mr. ALDRICH. Was it produced in South Carolina or in a laboratory?

Mr. TILLMAN. It was produced on a farm in South Carolina, and I have just had a communication from Doctor True, the expert of the Bureau of Plant Industry of the Agricultural Department, in charge of the tea experiments. The product varies as the bushes grow older; but it has increased. I will ask to have the communication printed in the RECORD, if there is no objection.

The PRESIDING OFFICER. The communication will be printed in the RECORD in the absence of objection.

The communication referred to is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF PLANT INDUSTRY,
Washington, D. C., June 28, 1909.

MEMORANDUM FOR SENATOR TILLMAN:

In response to telegram for figures on tea production at "Pinehurst" tea gardens, Dr. C. U. Shepard submits the following figures:

	Pounds dry tea.
1899	3,780
1900	4,320
1901	4,599
1902	8,439
1903	8,786
1904	8,051
1905	10,521
1906	13,125
1907	11,735
1908	9,274

This year's crop promises to exceed 12,000 pounds.

Mr. TILLMAN. There is no more doubt that we produce tea in South Carolina, and can produce it, than that you produce cotton cloth in Rhode Island or that you produce corn in Rhode Island.

Mr. ALDRICH. The Senator is addressing me upon the subject of a tax on tea. I say to him that I would not object especially to a tax on tea under some circumstances. If we were not getting sufficient revenue from other things, and purely as a revenue duty, I would not object to a tax on tea.

Mr. TILLMAN. I want a protective tariff on it.

Mr. ALDRICH. I do not believe the Senator can ask for that with any sort of reasoning or assurance.

Mr. TILLMAN. I have in the past voted for a duty on rice and on some of our other products.

Mr. ALDRICH. Doctor Shepard—if that is his name—has been before Congress, I think, for twenty-five years at least.

Mr. TILLMAN. Oh, no.

Mr. ALDRICH. Well, for a good many years. I can remember two or three different tariff bills, certainly, when he appeared.

Mr. TILLMAN. The Senator will recall that in 1898, when the Spanish war was on and we were hunting for revenue, and hunting for it industriously, the Committee on Finance accepted without a word, and it went into the law, a duty I offered, and it was enforced for five years.

Mr. ALDRICH. That was purely a revenue duty.

Mr. TILLMAN. And it gave us eight or nine million dollars annually, which we needed, and Congress ought never to have repealed it.

Mr. ALDRICH. I do not think the fact that the tea farm in South Carolina has produced spasmodically a certain amount of tea——

Mr. TILLMAN. It does not produce it spasmodically.

Mr. ALDRICH. Well, intermittently——

Mr. TILLMAN. Will the Senator take my word, as I said I would take his word a moment ago?

Mr. ALDRICH. Certainly; the Senator knows that.

Mr. TILLMAN. Then I tell the Senator right here and now, and upon my word of honor, that we can produce tea, and have produced it, and the facts show that we can grow it at Summerville, 500 pounds to the acre, with good cultivation.

Mr. ALDRICH. Why can it not be produced as cheaply as in China, then?

Mr. TILLMAN. Because we have not the labor there that they have in China. We have a different labor scale. According to the principles of the Republican party, I do not suppose you want to put American laborers upon a plane with Chinese laborers. Mr. Macy has given me the scale of wages in the Orient, and I will insert it.

The PRESIDING OFFICER. Without objection, the statement will be printed.

The statement is as follows:

Senator BENJAMIN R. TILLMAN,
United States Senate, Washington, D. C.

DEAR SIR: Replying to your inquiry as to the scale of wages paid laborers in the Far East in connection with the cultivation and firing of tea. Having establishments of my own in each of the principal tea centers in Japan, China, Formosa, India, and Ceylon, in the conduct of which I have received full information on the subject referred to, I am able to state that the laborers, including men and women, receive wages, expressed in the equivalent of our currency, as follows:

In Japan, 15 to 20 cents per day, dependent on skill required.
In China, 11 to 15 cents per day, dependent on skill required.
In Ceylon, 9 to 13 cents per day, dependent on skill required.
In India, 8 to 12 cents per day, dependent on skill required.

In 1899 Dr. Seaman A. Knapp, in behalf of the Agricultural Department, investigated the labor question in the East and reported that laborers were paid the following scale of wages:

In Japan, men and women about 10 cents per day.
In British India, men 3 to 5 cents per day.
In British India, women 2 to 3 cents per day.
In Ceylon, men 5 cents per day.
In Ceylon, women 4 cents per day.

Since 1899 there has been a steady advancement in the cost of labor.

Respectfully submitted.

GEO. H. MACY.

WASHINGTON, D. C., *May 19, 1909.*

Mr. TILLMAN. Let us look at this matter of wages a moment. The Senator and his party have always stood out as being the exponents par excellence of the equality of the African with the white man. The Senator knows, as well as he knows anything—or, if he does not know, I can tell him, and he can find out whether I tell the truth or not—that in the very region where this tea is produced negroes are in such excessive numbers and the malaria is so great that very few white people live there, and it is a blessing that that class of labor may have some industry started which will give them some little opportunity to get out of the state of semibarbarism in which they live. I am willing even to help protect, if you call it protection, by giving them employment, the poor little negro children who do the picking. I am willing to help protect the negro children of South Carolina and other parts of the South to the extent of having this duty levied on tea in order to support an industry there which promises to be one which, if capital will go there, will give us all the tea we consume in this country in a few years. This is no joke with me so far as the question of its being feasible is concerned. It is a question of producing conditions which will make it profitable.

Mr. ALDRICH. Has the State of South Carolina ever offered a bounty to encourage the tea industry?

Mr. TILLMAN. South Carolina does not believe in bounties.

Mr. ALDRICH. They believe in bounties if the United States will pay them?

Mr. TILLMAN. No; I would not vote for a bounty on tea now; it is against my principles. I do not believe in the Government taxing the people to give anybody a bounty, but if you give indirect help—I mean if you levy a revenue duty which gives incidental protection—that is good Democracy; and if it

is not good enough for my friends over here, it is good enough for me.

Mr. ALDRICH. I am very much afraid that there will be no Democratic doctrine that will be adhered to by everybody on the other side.

Mr. TILLMAN. The Senator may take care of the doctrine of his own party. There is a greater split on his side than there is on this.

Mr. ALDRICH. Between the Senator from Maryland [Mr. RAYNER], who is now listening to me, the Senator from South Carolina [Mr. TILLMAN], and the Senator from Georgia [Mr. BACON], they are all at sea as to what are the real doctrines and principles of the Democratic party.

Mr. TILLMAN. And as to the Republican party, it is too much to expect any of us to know what the Republican party stands for. There are two well-defined Republican factions in this Senate.

Mr. ALDRICH. There is more cohesion over here in principles, if there is some difference when it comes to votes, than there is on the other side.

Mr. TILLMAN. There is more cohesion on the principle which Calhoun described as "the cohesive power of public plunder;" and that is the only thing that holds you together. [Laughter.] The combination of our friend from Nebraska and of other friends out in the West for protection on lemons and beet sugar and lead and every other kind of thing which they grow or produce, and the manufacturers of the East have brought about the arrangement by which, when the Senator from Rhode Island votes "nay," 44 others vote "nay," without even having heard the debate. We have not always had a full Senate here, but the 44 are always around enough for the Senator to get them.

But I do not want to bandy words back and forth as to the question whether or not this is a legitimate Democratic doctrine. I am addressing my protective argument to you gentlemen on the other side. I have already gotten every man over here who wants to vote for a tariff for revenue; and, if he is going to stand by his principles, he can not get away from that doctrine, because there would be in this tariff $9,000,000 of revenue with about $1,200 of protection; and when anybody wants any greater percentage of revenue than that—well, he is too gluttonous for me. [Laughter.]

But the one proposition here, Mr. President, is this: Will this tariff on tea really encourage the growth of tea in the South? I do not know whether it will or not, but I have understood that in 1901 a great number of men had bought estates in the swamp country down there and had set about establishing tea gardens, when the repeal of the law caused them to see that probably their ventures would result in failure, that they could not compete on equal terms with the pauper labor of China, Japan, and Ceylon, and consequently they quit.

One curious thing about this proposition is that the United States is almost the only civilized country in the world that has not a duty on tea. Canada has no duty on tea, except against this country. She will not allow us to export tea from this country into Canada without paying 10 cents a pound duty, but she allows it to come in free from across the ocean. It can be brought into this country free from Canada, and a large number, in fact, the greater number, of tea stores in this country, as I understand, are under the control and yield profits to Sir Thomas Lipton and to two or three other English and Canadian concerns that, along with the Japanese, are about to capture the whole tea trade of the United States.

I have here a statement as to the revenue duties levied on tea in civilized countries, which I will insert without reading, with the permission of the Senate.

The PRESIDING OFFICER. In the absence of objection, permission is granted.

The statement referred to is as follows:

A duty on tea considered a proper source of revenue in other countries.—A duty on tea is in force in other countries where the per capita consumption is many times greater than that of this country. In England the annual consumption per capita is 6.18 pounds and the prevailing duty is equivalent to 10 cents per pound. In Russia the duty is equivalent to 16 to 44 cents. Duty in Austria and Hungary is equivalent to 19½ cents; Denmark, 8 cents; Germany, 11 cents; Italy, 22 cents; Norway, 24 cents; Spain, 13 cents; and France, 18 to 35 cents.

Mr. TILLMAN. I will say to the Senate that this matter has been brought to my attention by Doctor Shepard, but I did not pay any attention to him other than to get the facts. I know him to be an honorable and an absolutely reliable man. He is an enthusiast on this subject, and has demonstrated its feasibility and its possibility of success in the United States. When the New York importers and others interested in the tea trade came to me, I demanded that they should demonstrate, first, their characters, who they were, and what sort of men they were. I said, "I will listen to nobody as to whom I can not have the assurance that he is an honorable and clean man." I have seen three gentlemen from New York merely to get at the facts. Mr. George H. Macy, of Carter, Macy & Co., has furnished me most of the information I possess. He is one of the seven general appraiser experts of the United States Government, is largely engaged in the tea trade in the Orient, and, so far as I could gather, is entirely honorable and square. Mr. Buttfield is the president of the Tea Association of New York.

Mr. KEAN. Not growers.

Mr. TILLMAN. They are importers and merchants. Does the Senator know him?

Mr. KEAN. I do, very well; and I have a very high opinion of him.

Mr. TILLMAN. He impressed me as being an absolutely honorable and clean man. Then there was Mr. Dallas, who is in the employ of Carter, Macy & Co., who says he has been their tea expert in China for forty years. He gave me some facts within his personal knowledge in regard to the comparison between the tea farms which he had visited in the east and the tea farms in the South. Here is his letter:

NEW YORK *May 14, 1909.*

DEAR SIR: The writer would respectfully advise you that on recently visiting Doctor Shepard's "Pinehurst" tea gardens I was simply astounded at the progress made in the culture of tea in South Carolina.

The gardens in appearance and the condition of the tea plants were above the average of anything I had seen in the Orient. One garden in particular was simply superb, and I do not believe that it can be excelled by any garden in the Orient. Doctor Shepard informed me that the outturn of fired leaf from this garden last season was 600 pounds.

The firing furnaces and machinery, also the bins for storing fired leaf, are simply perfect in detail and cleanliness, and when I compare the odors surrounding the tea factories of the Orient and the sweet, clean air of the "Pinehurst" tea factories, I should consider the home-grown teas of South Carolina more valuable on account of this sanitary condition.

I have been in the tea business over forty years in close touch with the leaf of all oriental countries, and have since 1870 been in all countries where teas are grown and in a position to make the comparisons and facts given you.

I am, yours, respectfully,

WM. DALLAS.

Hon. BENJAMIN R. TILLMAN,
United States Senate, Washington, D. C.

I became absolutely certain from investigations I have made that it is possible to grow tea in the South. If it were only as feasible to grow it in New England or anywhere up in this part of the world as it is to grow it down there, there would have been a duty on it long, long ago, until the whole region would have blossomed like the rose with tea gardens. I am not, of course, charging you gentlemen with any special selfishness or with looking out for No. 1; but it is just simply my observation of operations in this part of the world.

But the strangest thing that came to me in my investigation on this subject was this: They demonstrated—I have got the evidence here—that the duty on tea will not increase the price one scintilla to the American consumer.

Mr. SMITH of Michigan. Who pays the tax?

Mr. TILLMAN. That is exactly what I asked. I said, "Gentlemen, tell me how you are going to get 10 cents a pound duty on tea and then not increase the price to the consumer." They brought the evidence in such overwhelming form that I did not have any chance to shake it; and I do not think any Senator on the other side can shake it. I found that tea sold at the retail stores in New York, in Washington, and almost everywhere else in this country ranging at prices from 40 cents up to a dollar a pound cost only from 11 cents to 21 cents to the importer.

Mr. SMITH of Michigan. To raise it?

Mr. TILLMAN. No; that is the importer's price to the retailer everywhere in this country.

I have here the affidavit of Mr. Macy that he went to one of the tea stores in the city of Washington and bought these samples here [exhibiting], containing half a pound each. Here [exhibiting] is the bill from the tea store receipted; here [exhibiting] is his affidavit as a tea expert, who by reason of long practice and facility in tasting has come to be able to estimate exactly the value of tea. I give his affidavit, which I ask may be inserted.

The PRESIDING OFFICER. Without objection, the affidavit will be inserted in the RECORD.

The affidavit is as follows:

George H. Macy, a member of the United States Government board of tea experts, being duly sworn, states that on May 18, 1909, he personally purchased nine different teas from the Grand Union Tea Company at their branch store at 427–429 Seventh street, Washington, D. C. The receipted bill for said teas is hereto attached. The actual teas purchased are transmitted herewith.

Deponent states that he has made an expert examination of said teas, and that the following is a correct statement of their import values and of the retail prices per pound paid by him for said teas:

	Import value.	Retail price.
	Per pound.	*Per pound.*
English breakfast tea	$0.22	$1.00
Do	.17	.75
Do	.16	.60
Do	.11	.50
Do	.11	.40
Imperial tea	.17	1.00
Do	.14	.60
Gunpowder tea	.20	1.00
Do	.16	.60

Deponent states that he received 17 "premium" tickets with purchase of said 4¾ pounds of tea, which tickets he thereupon exchanged for a china plate, the value of which does not exceed 5 cents.

The annexed price list of Grand Union goods was handed to deponent by said company at time of making purchase.

GEO. H. MACY.

MAY 19, 1909.

Personally appeared before me, a notary public in and for the city of Washington, District of Columbia, George H. Macy, who, being duly sworn according to law, did depose and say that the facts as set forth in the above statement are just and true.

[SEAL.] B. B. WILSON,
Notary Public, District of Columbia.

My commission expires May 19, 1911.

Mr. TILLMAN. What does that affidavit demonstrate? It demonstrates that the import value of these teas ranges from 10 to 20 cents and that the American consumer is paying from 40 cents to $1 for every pound he buys.

Mr. DILLINGHAM. Mr. President, I should like to ask the Senator whether the deposition or affidavit shows who makes the profit—the importer or the retailer?

Mr. TILLMAN. Mr. Macy stated that the importer gets very little of the profit, but that the retailer makes from 250 to 300 per cent on every pound of tea he sells, and sometimes as high as 350 per cent. These gentlemen contend that during the war with Spain, when we had 10 cents a pound duty on tea, there was no increase in price, but an improvement in the quality, and that when the war tax was taken off the price remained the same, although the retailers had been relieved of the tariff. Mr. Macy gave the price list in Japan and the quotations from Jardine, Matheson & Co., the greatest handlers of tea at Yokohama.

I have the whole thing here at first-hand showing the absolute accuracy of their statements and the impossibility of shaking them. The contention of these gentlemen is that if we will put a duty on tea it will not increase the price to the American consumer at all, because one-half of it will be paid by the producers in the East, who will have to reduce their prices; and the other half by the retailers here, who will have to reduce their profits.

Here are the quotations showing the price in Japan before the duty was put on in 1898 and after the duty was taken off in 1901, which I ask may be inserted.

The PRESIDING OFFICER. Without objection, the quotations will be inserted.

The quotations are as follows:

Quotations taken from Messrs. Jardine, Mattheson & Co.'s Yokohama Tea Reports for the year 1901 (10 cents duty in force), and also the years 1902 and 1903, duty having been removed.

FINE JAPANS.

	Yen.
1901:	
May 10	27.8
June 11	26.7
August 15	26.6
October 3	24.6
1902:	
May 14	31.3
June 4	32.3
August 14	30.2
October 2	30.2
1903:	
May 15	42.3
June 1	37.9
August 13	32.4
October 1	32.4

GOOD MEDIUM JAPANS.

1901:	
June 11	24.5
July 25	22.4
August 15	21.3
September 5	21.3
October 3	21.3
October 31	22.4
1902:	
June 4	31
July 24	27.9
August 14	27.9
September 4	27.9
October 2	27.9
October 30	27.9
1903:	
June 11	34.5
July 23	30.1
August 13	30.1
September 3	30.1
October 1	30.1
October 29	30.1

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator yield?

Mr. TILLMAN. Certainly.

Mr. SMITH of Michigan. I should like to ask the Senator if he has any data showing the acreage of land in South Carolina suitable for tea culture? If the Senator will pardon me, I have been examining the reports that have been made upon this industry, and I find, to my astonishment, that there is produced in South Carolina to-day fifteen times as much tea as was produced in the island of Ceylon in 1875.

Mr. TILLMAN. And yet even to-day the island of Ceylon, with its minimum of production, exports 182,000,000 pounds. When the coffee disease, the fungi, attacked the coffee plant in Ceylon in the seventies, and destroyed the coffee plantations, and the people were on the verge of starvation, the tea industry was introduced by the British Government as an experiment, with the result that it is to-day one of the most profitable of all the exports of the island.

Mr. SMITH of Michigan. From what I know of the tea industry, I should not hesitate one moment to vote to put a bounty on the production of tea. I am a little surprised that the State of South Carolina has not undertaken it. In the early stages of the beet-sugar industry we did exactly that in the State of Michigan, and the Government saw fit to do it later on, with no better prospects of success than are disclosed by the Senator from South Carolina to-day.

Mr. TILLMAN. I do not think the Senator would get from the taxpayers of South Carolina much support for the proposition to tax them on their other products—cotton, corn, and so forth, which are largely the source of their income—in order to try to grow something else. They would say, "If it can not be grown on its own hook, we can not afford to encourage it in that way."

Mr. SMITH of Michigan. That would not be out of harmony with the historical analogy, however. We have put a tariff on a great many things the South formerly thought we could not produce; yet we have demonstrated our ability to produce them, and have become independent of foreign countries in regard to them.

Mr. TILLMAN. I am asking for a tariff; I am not asking for a bounty.

Mr. SMITH of Michigan. I know the Senator is asking for a tariff, and I am not so sure that he ought not to have it; but I would vote very quickly for a bounty on tea.

Mr. TILLMAN. I want to call this subject to the attention of Senators who are in favor of encouraging American industries and giving them the benefit of protection, either incidentally or directly. On this side we claim to want protection only incidentally, if at all. On that side you boldly proclaim your willingness to levy a tariff for protection, pure and simple; and you have gone so far along that line that you levy tariffs that are prohibitive. You do not merely encourage industries; you say to them, "We will give you a monopoly of the American market."

Mr. SMITH of Michigan. I wish we could monopolize the American market with our tea.

Mr. TILLMAN. We certainly can do it if you will give us the same encouragement that you are giving wheat.

Mr. SMITH of Michigan. I should like very much to have us do anything that will save to this country the tremendous amount of money that is spent abroad every year for tea.

Mr. TILLMAN. The Senator asked me a moment ago whether I had any knowledge as to the amount of land in the South that is fit for the cultivation of tea. All I can say is this: Reasoning by analogy, knowing nothing of any experiments having been tried anywhere except in South Carolina and in a limited way on the coast of Georgia, I believe from my investigation and study of the question that tea of good quality can be produced without the slightest trouble anywhere from North Carolina to Texas where the rainfall is sufficient.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from Idaho?

Mr. TILLMAN. I do.

Mr. HEYBURN. If the Senator does not object to my making at this time such suggestions as I desire to make, I will say that for a number of years I have taken considerable interest in this question. For six or seven years we have used nothing but South Carolina tea; and we use it because of its quality. If anyone will open a package of South Carolina tea and open a package of the best imported tea to be had in the market and compare them, he will not hesitate a moment to declare in favor of the South Carolina tea. It is free from the broken leaves and dusty conditions that even the best other tea has; and it has the very best flavor of any tea you can get in the market.

I know of men—it is not necessary to mention their names; they are northern men—who have expended from $75,000 to $100,000 in this proposition of raising tea in South Carolina; and I have from them their report on the possibilities of raising tea in the South. They tell me that after a most careful and scientific investigation they find that the tea belt that is just as good as that which has been developed in South Carolina extends clear to the Mississippi River, and that it can be extended over a vast amount of country. They have backed their judgment and their investigation with cash, and they stand ready to do so further. They think there should be a duty on tea. And if I vote for the amendment of the Senator from South Carolina, it will be because I believe that an enterprise of such importance to all of the people should be encouraged and built up; and I will do it on the ground of the principles of the protective tariff.

I thought I would interject these remarks into those of the Senator from South Carolina, as I did not desire to proceed at any length upon this subject. But I have taken a good bit of pains to ascertain the facts, and so have these other responsible men. They are able, without inconvenience to themselves, to put a great many times the amount they have already put into this industry.

Mr. TILLMAN. The Senator is entirely correct. There are capitalists who are on the lookout for lands and have bought some down in my State with a view to starting tea plantations when a tariff tax is placed upon it. As far as the quantity of land is concerned, I think, from my study of the question, that the areas suitable for growing the cotton plant and the tea plant are coextensive, except that cotton will stand a much drier climate than tea will, for as tea is produced from leaves, it is necessary to have a sufficient amount of rainfall to produce successive crops of leaves. The process is to pick from the bushes the tips of the young shoots and one additional leaf every ten days to two weeks, according to the rainfall and the growth. Then they manipulate the tea by processes which I do not care to consume the time of the Senate to describe, but which are here in the various reports of the Agricultural Bureau. There is no more doubt of the feasibility and practicability of growing all the tea we use in this country than there is of growing all the cotton we use in this country. It is a mere question of giving the people an opportunity of getting a little help, so that they can start even with the Asiatics. That is all there is about it.

Mr. SMITH of Michigan. If the Senator will permit me, I understood him to say that the maximum production of tea here is about 600 pounds per acre?

Mr. TILLMAN. That is the maximum so far produced, whereas in the East they do not get more than two, or three, or four hundred pounds to the acre.

Mr. SMITH of Michigan. And in China 300?

Mr. TILLMAN. About 300, I think, is the average.

Mr. SMITH of Michigan. Is that due to the science of tea culture, or is it due to the climate?

Mr. TILLMAN. I do not know, but I think it is due to the superior intelligence of the white man who is directing the operations here as compared with the type of men who direct the operations in oriental countries.

I am so warm myself, and there are so many Senators here who are merely listening to me on sufferance, that I do not feel disposed to prolong this discussion. I have here a good many exhibits. For instance, I have from Mr. Buttfield a statement as to the relative prices of Lipton's best grade of tea in the United States, which, roughly, is 80 cents. The same tea sells in London, after paying 10 cents a pound duty, at 42 cents. Here is the whole list, which I ask may be inserted.

The VICE-PRESIDENT. The list will be printed, if there be no objection.

The list is as follows:

THE TEA ASSOCIATION OF NEW YORK,
New York, May 29, 1909.

Comparative statement of teas sold in the United States and also in England and Canada.

	Retail price in the United States.	Retail price in England.[a]
	Cents.	*Cents.*
Lipton's best grade, in packets	80	42
Lipton's lowest grade, in packets	60	26
Average of total importations for entire country, about	60	32½
"Salada," in packets	60	[b] 40

[a] Expressed in United States currency.
[b] In Canada.

This statement of figures shows that the consumer of the United States pays almost double the price that the consumer in England is charged for the same quality of tea, notwithstanding the fact that the English Government first receives a revenue equivalent to 10 cents per pound, while the United States Government collects no duty.

STOCKS OF TEA.

The stocks of tea in the United States are the smallest in many years. As a matter of fact, the total actual stock in New York public warehouses five years ago was 41 per cent larger than that of May 1 last.

In this respect tea is in the reverse position to that of coffee; exceptionally large supplies are held in the country for account of a syndicate of Brazilian and other interests.

W. J. BUTTFIELD.

Mr. TILLMAN. It seems that the tea drinkers of this country are at the mercy of the Japanese and the English tea dealers. The Japanese Government has subsidized a line of steamers to bring tea into this country, along with other products, and they are encouraging in every way possible the closing out of the American competitor. I asked these New York importers the direct question: "What is your interest in this? Why are you importers clamorous for a duty on tea when the Senator from Rhode Island has stood in the Senate and twitted other Senators with being the mouthpieces of the importers because they are clamoring for a reduction of duties?" We have had men here almost insulted in presenting their cases in regard to cotton goods and one thing or other by being charged with being the mouthpieces of the importers. Now, I come here as the mouthpiece of the importers, and almost to a man they beg you to put this duty on tea. Why? They say that it will enable them to compete on equal terms with, or give them the advantage of, their English and Japanese competitors. That is all there is to it. It will do that, while it will give the American people a better quality of tea, and it will not cost them a cent more. If there ever was a clear-cut case made out, these men have made it out.

As I do not want to consume your time further, I shall ask permission to insert in the RECORD such exhibits in the way of evidence as will give any Senator who wants to examine them in the morning an opportunity to see just what facts are adduced and what the real status is, and then have them vote intelligently, if we can have a postponement of the vote until tomorrow. I ask that permission.

The VICE-PRESIDENT. Without objection, the request of the Senator from South Carolina will be granted.

The papers referred to are as follows:

LETTER FROM MR. BUTTFIELD TO SENATOR TILLMAN IN REPLY TO CERTAIN INQUIRIES.

THE TEA ASSOCIATION OF NEW YORK,
New York, May 24, 1909.

Hon. BENJAMIN R. TILLMAN,
United States Senate, Washington, D. C.

SIR: As briefly as possible I will endeavor to comply with your request for categorical replies to the following two questions in connection with the proposed impost on tea:

Upon what hypothesis do we base our statement that retail prices of tea will not advance in event of a duty being imposed?

Within reasonable limitations a duty is not a controlling factor in fixing retail prices of tea, for the reason that such prices are so high the retailer can well afford to pay a moderate advance and still retain an excessive margin of profit. Furthermore, it is a cardinal policy of the largest retailers to maintain, year after year, a fixed scale of retail prices and also fixed grades or qualities sold at such figures. These fixed prices and grades are not affected by any ordinary first-hand market fluctuations.

That the producer pays approximately one-half the duty on tea has been demonstrated beyond question. This applies to an average of Japan,[a] Oolong[a] and China[a] green teas—the market for which is controlled by the United States—but not to Indias and Ceylons. The Hon. SERENO E. PAYNE stated before the House on April 7 last that, "After we took this (tea) duty off, a Japanese merchant proved to me that Japan had paid half of that duty and the tea merchant paid the other."

Retail prices in the United States are predicated upon the gullibility of the average consumer, or perhaps it would be more fair to say, upon his inability to gauge the respective merits of the many descriptions

[a] These constitute 70 per cent of the United States importations.

and qualities sold. In England, and to a lesser degree in Canada, the public has become educated and demand good tea at a reasonable cost. A fair instance of this is that of the Salada brand, retailed (by the Salada Tea Company, of Canada) in the States at 60 cents per pound and, of identically the same quality, in Canada at 40 cents per pound. In England equal quality, after payment of a 10-cent revenue tax, is retailed at 35 cents per pound. Maintenance of the existing high range of retail prices in the States is fostered by the fact that consumers are accustomed to certain fixed prices and would question the quality of anything at reduced quotations.

Retail prices of tea have but little relation to tariff or to import costs, as is shown by the following few instances out of many: Price lists of the Grand Union Tea Company, previously submitted, show that its average retail price of tea in 1901 and 1902 (duty in force) was 56 cents, and that their average price after the duty was removed was 65 cents. This importing company, with over 200 retail stores, claims to be the largest seller of tea in the United States. The Grand Union Tea Company sells an 11-cent tea at 40 cents, and also a same cost tea at 50 cents. It retails a 16-cent tea at 60 cents and a 17-cent tea at $1. Lipton & Co., of London, sell in the States a 17-cent tea at 60 cents and an 18-cent tea at 80 cents.

WHAT ARE THE INTERESTS OR MOTIVES OF THOSE NOW ADVOCATING A TAX ON TEA?

Practically the same question was asked at a hearing of the tea trade before the Ways and Means Committee January 27, 1902. In reply I stated that while "we will be benefited (by removal of the duty) in respect of the stocks of tea we now have on hand, yet we think a duty is a protection against poor tea, and will eventually tend to increase the consumption." (See p. 72, minutes of said hearing.)

A duty serves to restrict the importation and use of the lowest grades (costing from 6 cents to 10 cents per pound), which, with scarcely a particle of real drinking merit, create an actual distaste for tea, lessens its consumption in this country and, as a consequence, the volume of our business. These lowest grades are handled largely by peddlers in their house-to-house trade.

A duty on tea, entailing a substantial cash payment upon removal from bond before delivery to the retailers, is a severe handicap to Japanese distributive agents in this country. These cash payments can not be financed through international bankers, and the Japanese merchant is given but scant "credit" outside of his own country.

A duty is a stumbling block to London and Canadian merchants who conduct an increasingly large distributive business in the States through the mails. They are under no expense in this country and pay no United States federal or state tax, and yet in many respects are on an equality with the American merchant. With Canadian merchants there is added the further aggravation that Canada maintains a 10 per cent discriminating duty against the United States, while admitting tea free from England and all producing countries other than the States.

Respectfully submitted.

W. J. BUTTFIELD.

EXTRACT OF A PETITION FILED IN 1901.

NEW YORK, *December 30, 1901.*

Hon. SERENO E. PAYNE,
Chairman Ways and Means Committee,
House of Representatives, Washington, D. C.

SIR: In view of the present agitation to repeal the import duty on tea, we beg to submit for the consideration of your committee the following arguments in opposition to such proposed action:

For many years prior to the imposition of the tea duty those in the tea business were almost unanimous in requesting Congress to impose a tax of from 10 to 15 cents per pound, and now that the trade has practically adapted itself to the present position any change would be disturbing and harmful.

In our opinion the duty has not interfered with or curtailed the consumption of tea, the average price to the consumer showing slight, if any, advance.

It was urged before your committee four years back that the producing markets would bear fully one-half the duty, and this has proved to be approximately correct. A removal of the tax would result in the foreign growers reaping the benefit of a corresponding advance in price.

As far as we can judge, the movement is actuated by both the foreign producers and the retail grocers, who find their past excessive profits somewhat reduced, but we fail to see any reason why a duty so easily collected and bearing so lightly upon the consumer should be repealed.

Signed by:

GEO. H. MACY,
G. L. MONTGOMERY,
W. J. BUTTFIELD,
Committee.

William Dallas, being duly sworn, deposes and says that within the past week he has purchased in New York a package of the "Salada" brand of Ceylon tea sold in the United States at 60 cents per pound by the Salada Tea Company, of Canada; that he has also caused to be purchased a package of the Salada brand of Ceylon tea sold in Toronto, Canada, at 40 cents per pound by same company.

Deponent states that he has been in the tea trade for the past forty years, and that he has an expert knowledge of the qualities, description, and market values of all classes of tea consumed in the United States.

Deponent further states that he has made an expert examination of said packages of Salada tea and finds that said Salada package sold in New York at 60 cents per pound is identical in quality and grade with the Salada package sold at 40 cents per pound in Toronto, Canada.

Deponent further states that teas of equal quality to that contained in the Salada package has been imported into the United States for the past twelve months at 14 cents to 16 cents.

WILLIAM DALLAS.

STATE OF NEW YORK, *County of New York, ss:*

Personally appeared before me this 4th day of May, in the year 1909, the said William Dallas, to me known and known to me to be the identical person named, and made declaration to the foregoing.

Witness my hand and official seal the date above written.

H. B. DELEPIERRE,
Notary Public, Kings County.

Certificate filed in New York County.

FURTHER EXTRACT FROM MINUTES OF HEARING OF THE TEA TRADE BEFORE THE WAYS AND MEANS COMMITTEE JANUARY 27, 1902.

W. J. BUTTFIELD. If the duty is taken off, the benefit will accrue to the exporting country, without doubt. (See p. 57.)

W. J. BUTTFIELD. In 1898 my firm sold one jobber over three-quarters of a million pounds of tea dust at 8½ cents. The selfsame tea dust can now be bought at 2 cents per pound. It has practically gone out of consumption under the tax. I am simply laying before you gentlemen the fact that the retailer will not pay 10 cents per pound on a 2-cent article, and so that article is driven out of consumption. (See pp. 58, 59, 60, and 61.)

Quotations from Jardine, Mattheson & Co.'s Yokohama tea reports, showing advance in prices after removal of duty, January 1, 1903.

	Yen.
Year 1901, November 27, medium Japans	19.21
Year 1902, November 27, medium Japans	24.26
Year 1903, November 26, medium Japans	27.29
Year 1907, November 15, medium Japans	30.31
Year 1908, October 12, medium Japans	29.31

It might be well to note that prices in 1902 advanced in anticipation of the removal of the tax.

COMMUNICATION FROM THE CHIEF OF THE BUREAU OF STATISTICS IN REGARD TO THE PRESENT STOCK OF TEA ON HAND IN AMERICA.

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF STATISTICS,
Washington, June 3, 1909.

Mr. LORD,
Finance Committee, United States Senate,
Washington, D. C.

SIR: In further response to the telephonic inquiry of the Senate Finance Committee, I inclose to you herewith a copy of a letter from Messrs. James and John R. Montgomery & Co., 127–129 Water street, New York, N. Y., under date of the 2d instant, on the subject. These gentlemen are considered to be reliable authorities in regard to the matter.

Very truly, yours, O. P. AUSTIN, *Chief of Bureau.*

JAS. & JNO. R. MONTGOMERY & CO.,
New York, June 2, 1909.

Mr. O. P. AUSTIN,
Chief Bureau of Statistics, Washington, D. C.

DEAR SIR: Since writing you yesterday we have had time to look further into the question of stocks of tea in New York warehouses. It might be well to state that the only available figures of such stocks are those collected by the Tea Association of New York, which association has, since the removal of the duty, established a system by which they obtain each month a statement from all the public warehouses in New York City, with the exception of that of Messrs. Baker & Williams, who are not thought to be large storers of tea.

We give below figures showing April 30 stocks in New York City warehouses for the entire time during which such figures have been collected:

	Packages.
April 30, 1903	455,598
April 30, 1904	495,282
April 30, 1905	682,979
April 30, 1906	653,870
April 30, 1907	503,259
April 30, 1908	489,548
April 30, 1909	484,074

NOTE.—The firm named states that the average weight of package of tea is about 50 pounds.

The above figures include first and second hand stocks. As brokers, we can state that, as far as we can remember, first-hand stocks were never as light as they are now. We remain,

Yours, truly, JAS. & JNO. R. MONTGOMERY & CO.

JAPAN'S PURPOSE AND HOPE IN REGARD TO THE TEA TRADE IN AMERICA.

SEYMOUR S. SMITH & CO.,
New York, June 16, 1909.

Hon. BENJAMIN R. TILLMAN,
Washington, D. C.

MY DEAR SIR: The United States Government is trying to break up trusts; but there appears to be no law to prevent trusts being formed in other countries to monopolize the business of this country.

The Japan tea trust continues to absorb American business, and with all its power is fighting the proposal to place a duty on tea which would check its encroachments. The inclosed article throws light on this subject, and helps to illustrate the Japanese ambition to drive out American merchants.

The commercial agent of the new Japanese line ($95,000 round-trip government subsidy) stated, on his arrival at Tacoma, that the tea duty would be a severe blow to Japan, as the Japanese would have $2,000,000 less for tea culture and profit.

The agitation against a duty was instigated by foreign interests, and has been aided by merchants, who feared a loss of some of their liberal profits.

Respectfully submitted.

SEYMOUR S. SMITH & CO.

TEA AND COFFEE TRADE JOURNAL.

(The blue book of the trade.)

TOKYO, *April 17, 1907.*

T. Furuya is now at work in Japan on a big combination scheme.

If Mr. Furuya's plans do not miscarry, he will eventually control over 95 per cent of the tea firing and the tea farmers in Japan. This will mean that the American houses at present engaged in the tea business here will either have to go out of business or purchase their supplies from Mr. Furuya's company.

It is said that the company will be subsidized, either directly or indirectly, by the Japanese Government.

It is Mr. Furuya's intention to model the company along the lines of the American tobacco trust.

There is already in existence an organization known as the "Japan Central Tea Traders' Association," which embraces local tea traders' associations in the principal tea districts, and which has the stamp of its official approval on the scheme.

The tea market was for many years controlled by the foreign (American) companies, which fixed prices low.

After the Japan tea-selling companies were formed, under the patronage of the Japan Central Tea Traders' Association, the value of the tea exported was increased to 14,000,000 yen ($7,000,000), which is several million dollars in excess of previous years.

Offer of the tea association showing the enormous profits of the tea trade as now conducted, and its ability to stand even a higher tariff than 10 cents per pound:

W. J. BUTTFIELD,
New York, June 21, 1909.

Hon. BENJAMIN R. TILLMAN,
Washington, D. C.

DEAR SIR: I inclose copy of communication forwarded on April 30 last to each and every member of the Finance Committee of the Senate. By other letters it was understood that the provisions stated in said communication were applicable to a term of five to ten years.

A very natural question arises as to why we do not now engage in the retail tea business, and to such I will endeavor to reply.

The per capita consumption of tea in the United States is so small that as a general proposition it does not pay to advertise tea except in conjunction with other merchandise.

If the Government could devise a plan by which it was officially and publicly made known that we would guarantee the price and quality of teas to the consumers of the United States and by so doing advertise the fact that we were obligated to sell tea for considerably less money than they are now paying, such in itself would be the finest advertisement possible and without expense to ourselves. Under such conditions we would soon have a lion's share of the retail trade.

Respectfully submitted.

W. J. BUTTFIELD.

COPY OF LETTER SENT TO EACH SENATOR ON THE FINANCE COMMITTEE.

NEW YORK, *April 30, 1909.*

DEAR SIR: In substantiation of statements previously made as to the extravagant retail prices of tea over its import cost, in behalf of Messrs. Carter, Macy & Co. and my firm I desire to place before you a proposition which, if feasible, will definitely settle any argument on this subject.

Messrs. J. Tetley & Co., of England; Messrs. T. Lipton & Co., of England; the Salada Tea Company, of Canada; Messrs. Seeman Brothers, of New York; and the Great Atlantic and Pacific Tea Company, of New York, are all members of the National Coffee and Tea Association, which has flooded Congress with 70,000 protests against a duty on tea "in the interests of millions of American consumers." The first four named companies comprise the largest distributors of "packet" tea in the United States, and the Great Atlantic and Pacific Tea Company maintain an extensive "chain" of tea stores.

All said five companies retail a tea at 60 cents per pound.

We are ready now to furnish any reasonable bond obligating ourselves to sell at 50 cents per pound to the ultimate consumer of the United States all tea required by them, such tea to be fully equal to the best tea sold by any of the above-named five companies at 60 cents per pound.

This offer is predicated upon an import duty of 15 cents per pound or less and upon import costs of tea being within 30 per cent of the average import cost of the past one, two, or three years; said tea to be sold in one or more places in any or all cities or towns in the United States of 50,000 inhabitants or more.

In other words, we are willing to contract to sell the ultimate consumers tea at 10 cents per pound less than they are now paying—quality for quality—and this understanding will hold good even under an import duty of 15 cents per pound or less and also under an advance in import costs of 30 per cent.

I appreciate that the United States Government can hardly enter into any such contract, but it seems that an unofficial suggestion might be in order indicating some method by which an obligation of the kind above outlined can be entered into.

It has occurred to me that a bond of, say, $50,000 could be now given to a trust company as trustee for subsequent contracts with the municipal authorities of each city or town wishing to avail of this matter.

Our sincerity in this matter can be easily tested by a mere suggestion from yourself or any one of your Finance Committee.

As previously stated, the margin of profit over import cost on tea in the States is upward of 35 cents per pound, while in England tea is retailed at an average equivalent to 7 cents over such cost.

Respectfully submitted.

W. J. BUTTFIELD.

LETTER OF GEORGE H. MACY IN REGARD TO THE TEA TRADE IN GENERAL.

WASHINGTON, D. C., *May 14, 1909.*

MY DEAR SENATOR: I am sending you herewith a condensed statement on the subject of tea, headed "Import duty on tea;" also a statement of the retail prices of tea in New York City vouched for by Mr. W. J. Buttfield, president of the Tea Association of New York.

I also attach a clipping taken from the New York Journal of Commerce of April 20, 1909, which substantially gives the same data.

I inclose also the reports from the United States Government tea inspectors, showing that the quality of tea used in the States was of a higher grade under the Spanish war revenue tax than that theretofore imported.

The inclosed letter addressed to the Hon. NELSON W. ALDRICH, signed by William A. Courtney, states that the American consumer is being sold a 12-cent tea for 60 cents. Mr. Courtney is a well-qualified authority, having represented the Ceylon growers as tea commissioner to this country.

The inclosed copy of petition in favor of a duty on tea in 1897 shows that practically all the important tea houses of the United States then petitioned Congress for a tax on tea, stating that the consumer "will get better goods at the same prices."

It is unnecessary for me to dwell on the tea industry of the State of South Carolina, but it may be in order for me to point out that South Carolina is now raising 15,000 pounds annually, which is ten times the amount of tea which the island of Ceylon produced in 1875. To-day Ceylon ranks among the largest tea-producing countries of the world, having exported last year 182,000,000 pounds.

I understand that the experiments of the Department of Agriculture show that South Carolina is producing 600 pounds of tea per annum to the acre, whereas in China and Japan the maximum reached is 350 pounds to the acre.

The tea trade of the United States is fast being monopolized by foreigners and, in this connection, I would call attention to the fact that the Japanese Government are now paying a subsidy of $95,000 gold to Japanese vessels, carrying Japanese tea, for each round trip between Japan and the United States. The Japanese have, under subsidy, established distributing agents of tea throughout the United States, and it is a well-recognized fact in the trade that within a few years they will control not only the growing, exporting, and shipping of tea to the United States, but also its very distribution in this country. It was demonstrated under the Spanish war-revenue tax that a duty on tea involving a cash transaction upon withdrawal from bond of such tea severely curtailed the operations of these foreign firms.

In conclusion, I wish to emphasize the following:

(1) The consumer of the United States is being sold a 12-cent article at 60 cents.

(2) The opposition to a duty originates entirely from large foreign companies and domestic retailers, some of whom have a capital of $10,000,000, which companies have, from past experience, found that a large proportion of any tax imposed is deducted from their unconscionable profits. The Great Atlantic and Pacific Tea Company, the Grand Union Tea Company, and James Butler alone have over 800 tea stores.

(3) Messrs. Tetley & Co. and Messrs. Lipton & Co., both of London, and the Salada Tea Company of Canada are the largest distributors of packet teas in this country, and, as a matter of fact, they are the foremost and most active members of the National Coffee and Tea Association, organized February last to oppose the duty on tea.

(4) These large foreign firms are flooding this country with tea at extreme prices without paying one dollar of revenue to the United States Government.

(5) Among the vice-presidents of said National Coffee and Tea Association are Messrs. Seeman Brothers. This firm, in the Evening Mail of April 15 last, publicly advertised that tariff or no tariff, quality and price of their White Rose Ceylon tea will remain unchanged. Can there be any more conclusive corroborative evidence of our statement that the consumer will not pay this tax?

(6) I have yet to hear of one retailer throughout the United States that reduced the retail price of his teas when the Spanish war-revenue tax was repealed.

Respectfully submitted.

GEO. H. MACY.

Hon. BENJAMIN R. TILLMAN,
United States Senate, Washington, D. C.

Mr. TILLMAN. Here we have the retail prices for the three years, 1901, 1904, and 1908, of the Grand Union Tea Company, the largest importers and retailers of teas and coffees in the United States. It will be seen that in 1901, while the duty was on, the price was 9 cents cheaper than it was in 1904 and 1908, when the duty had been removed:

GRAND UNION TEA COMPANY.

The largest importers and retailers of teas and coffees in the United States.

Two hundred branch stores in principal cities throughout the United States.

Price list, revised July 1, 1901.

Four grades of six discriptions of tea retailed at an average price of 56 cents per pound.

Price list, revised April 1, 1904.

Five grades of six descriptions of tea retailed at an average price of 65 cents per pound.

Price list, revised April 1, 1908.

Five grades of six descriptions of tea retailed at an average price of 65 cents per pound.

Mr. BURROWS. I offer the amendment I send to the desk.

The SECRETARY. On page 5, line 3, it is proposed to strike out the word "one-fifth" and insert "one-half."

The amendment was agreed to.

EXECUTIVE SESSION.

Mr. SMOOT. I move that the Senate adjourn.

Mr. CULLOM. I should like to have a brief executive session.

Mr. SMOOT. Very well; I withdraw the motion in order that we may have an executive session.

Mr. CULLOM. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 50 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, June 29, 1909, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate June 28, 1909.

APPOINTMENT IN THE ARMY.

JUDGE-ADVOCATE-GENERAL'S DEPARTMENT.

Capt. Beverly A. Read, Sixth Cavalry, to be judge-advocate with the rank of major from June 25, 1909, vice Maj. Frank R. Lang, retired from active service on that date.

APPOINTMENT, BY TRANSFER, IN THE ARMY.

FIELD ARTILLERY.

Second Lieut. Herbert Hayden, Third Infantry, to the Field Artillery, with rank from June 10, 1909.

APPOINTMENTS OF GRADUATES OF UNITED STATES MILITARY ACADEMY IN THE ARMY.

CORPS OF ENGINEERS.

To be second lieutenants, with rank from June 11, 1909.

1. Cadet Stuart Chapin Godfrey.
2. Cadet Francis Clark Harrington.
3. Cadet Cleveland C. Gee.
4. Cadet John Marvin Wright.
5. Cadet John Roy Douglas Matheson.
6. Cadet William Hampden Sage, jr.
7. Cadet Charles Joel Taylor.
8. Cadet Edwin Hall Marks.
9. Cadet Earl North.
10. Cadet Albert Hilands Acher.
11. Cadet Gilbert Van Buren Wilkes.
12. Cadet John Clifford Hodges Lee.
13. Cadet Frank Schaffer Besson.
14. Cadet Lindsay Coates Herkness.
15. Cadet Albert Kualii Brickwood Lyman.

FIELD ARTILLERY.

18. Cadet Leo James Ahern.
19. Cadet Donald Meredith Beere.
20. Cadet Thomas Henry McNabb.
22. Cadet Herman Erlenkotter.
23. Cadet Claude B. Thummel.
26. Cadet Harold Earl Miner.
37. Cadet Edwin St. John Greble, jr.
39. Cadet Jacob Loucks Devers.
49. Cadet Frederick Weeden Teague.

COAST ARTILLERY CORPS.

16. Cadet Charles Todd Richardson.
21. Cadet Homer Ray Oldfield.
24. Cadet Norton Meade Beardslee.
25. Cadet William Cooper Whitaker.
27. Cadet James Alexander Brice, jr.
29. Cadet James Leo Dunsworth.
30. Cadet Dana Harold Crissy.
38. Cadet Francis Greason Delano.
42. Cadet Raphael Robert Nix.
43. Cadet James Lawrence Walsh.
47. Cadet Henry Horace Malven, jr.
48. Cadet Edward Luke Kelly.
51. Cadet Thruston Hughes.
54. Cadet Charles Bartell Meyer.
58. Cadet Frederick Arthur Mountford.
60. Cadet Fordyce La Due Perego.
67. Cadet Philip Stearns Gage.
69. Cadet Monte Jackson Hickok.
72. Cadet Frederick Hanna.
77. Cadet Theodore Mosher Chase.

CAVALRY ARM.

28. Cadet N. Butler Briscoe.
31. Cadet Elbert Eli Farman, jr.
32. Cadet Ronald De Vore Johnson.
45. Cadet Elkin Leland Franklin.
46. Cadet George Smith Patton, jr.
52. Cadet Robert Stanley Donaldson.
55. Cadet Cuthbert Powell Stearns.
57. Cadet James Rowland Hill.
59. Cadet Horace Hayes Fuller.
64. Cadet Thomas De Witt Milling.
66. Cadet Henry Dorsey Farnandis Munnikhuysen.
70. Cadet Stanley Maddox Rumbough.
71. Cadet Robert Charles Frederick Goetz.
73. Cadet Archibald Toombs Colley.
76. Cadet Hugh Henry McGee.
80. Cadet Carleton George Chapman.
86. Cadet Joseph Plassmeyer, jr.
87. Cadet Chester Paddock Mills.
90. Cadet Edwin Russell Van Deusen.
99. Cadet Guy William McClelland.

INFANTRY ARM.

17. Cadet Clarence Edward Partridge.
33. Cadet George Lane Van Deusen.
34. Cadet Edward Aloysius Everts.
35. Cadet Thom Catron.
36. Cadet Robert Butcher Parker.
40. Cadet Philip Hayes.
41. Cadet Franz August Doniat.
44. Cadet Carl Adolph Baehr.
50. Cadet James Garesché Ord.
53. Cadet Wallace Copeland Philoon.
56. Cadet Herbert Le Roy Taylor.
61. Cadet Delos Carleton Emmons.
62. Cadet Arnold Norman Krogstad.
63. Cadet Eley Parker Denson.
65. Cadet Roy Howard Coles.
68. Cadet Robert Lawrence Eichelberger.
74. Cadet Edwin Forrest Harding.
75. Cadet Joseph Caldwell Morrow, jr.
78. Cadet Warder Higgins Roberts.
79. Cadet Raymond Durno Smith.
81. Cadet Arthur Rutledge Underwood.
83. Cadet Robert Sears.
84. Cadet Thomas South Bowen.
85. Cadet William Allison Reed.
88. Cadet William Harrison Anderson.
89. Cadet Lee Dunnington Davis.
91. Cadet Frank Leroy Purdon.
92. Cadet Merl Paul Schillerstrom.
93. Cadet Carlin Curtis Stokely.
94. Cadet Louis Philip Ford.
95. Cadet John May McDowell.
96. Cadet Clifford Bluemel.
97. Cadet Wentworth Harris Moss.
98. Cadet Francis Robert Hunter.
100. Cadet Manton Campbell Mitchell.
101. Cadet William Hood Simpson.
102. Cadet Walker Evans Hobson.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 28, 1909.

SECRETARIES OF LEGATION.

Philip M. Hoefele to be secretary of the legation at Madrid, Spain.

Jordan Herbert Stabler to be secretary of the legation at Quito, Ecuador.

PROMOTIONS IN THE ARMY.

ORDNANCE DEPARTMENT.

Lieut. Col. Lawrence L. Bruff to be colonel.
Maj. Charles B. Wheeler to be lieutenant-colonel.

CORPS OF ENGINEERS.

Lieut. Col. Frederic V. Abbot to be colonel.
Maj. Harry Taylor to be lieutenant-colonel.
Capt. Edward H. Schulz to be major.
First Lieut. Wildurr Willing to be captain.
Second Lieut. James J. Loving to be first lieutenant.

TO BE JUDGE-ADVOCATE.

Capt. Beverly A. Read.

APPOINTMENTS IN THE ARMY.

CHAPLAINS.

Rev. Marinius Martin Londahl to be chaplain with the rank of first lieutenant.

Rev. Dennis Brendan O'Sullivan to be chaplain with the rank of first lieutenant.

MEDICAL RESERVE CORPS.

Walter Bensel, of New York, to be first lieutenant.

ENGINEER CORPS.

Cadets to be second lieutenants.

Stuart Chapin Godfrey,
Cleveland C. Gee,
John Roy Douglas Matheson,
Charles Joel Taylor,
Earl North,
Gilbert Van Buren Wilkes,
Frank Schaffer Besson,
Albert Kualii Brickwood Lyman,
Francis Clark Harrington,
John Marvin Wright,
William Hampden Sage, jr.,
Edwin Hall Marks,
Albert Hilands Acher,
John Clifford Hodges Lee, and
Lindsay Coates Herkness.

FIELD ARTILLERY.

Cadets to be second lieutenants.

Lee James Ahern,
Thomas Henry McNabb,
Claude B. Thummel,

Edwin St. John Greble, jr.,
Frederick Weeden Teague,
Donald Meredith Beere,
Herman Erlenkotter,
Harold Earl Miner, and
Jacob Loucks Devers.

COAST ARTILLERY.

Cadets to be second lieutenants.

Charles Todd Richardson,
Norton Meade Beardslee,
James Alexander Brice, jr.,
Dana Harold Crissy,
Raphael Robert Nix,
Henry Horace Malven, jr.,
Thruston Hughes,
Frederick Arthur Mountford,
Philip Stearns Gage,
Frederick Hanna,
Homer Ray Oldfield,
William Cooper Whitaker,
James Leo Dunsworth,
Francis Greason Delano,
James Lawrence Walsh,
Edward Luke Kelly,
Charles Bartell Meyer,
Fordyce La Due Perego,
Monte Jackson Hickok, and
Theodore Mosher Chase.

CAVALRY ARM.

Cadets to be second lieutenants.

N. Butler Briscoe,
Ronald De Vore Johnson,
George Smith Patton, jr.,
Cuthbert Powell Stearns,
Horace Hayes Fuller,
Henry Dorsey Farnandis Munnikhuysen,
Robert Charles Frederick Goetz,
Hugh Henry McGee,
Joseph Plassmeyer, jr.,
Edwin Russell Van Deusen,
Elbert Eli Farman, jr.,
Elkin Leland Franklin,
Robert Stanley Donaldson,
James Rowland Hill,
Thomas De Witt Milling,
Stanley Maddox Rumbough,
Archibald Toombs Colley,
Carleton George Chapman,
Chester Paddock Mills, and
Guy William McClelland.

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Edward Aloysius Everts,
Robert Butcher Parker,
Franz August Doniat,
James Garesche Ord,
Herbert Le Roy Taylor,
Arnold Norman Krogstad,
Roy Howard Coles,
Edwin Forrest Harding,
Warder Higgins Roberts,
Arthur Rutledge Underwood,
Thomas South Bowen,
William Harrison Anderson,
Frank Leroy Purdon,
Carlin Curtis Stokely,
John May McDowell,
Wentworth Harris Moss,
Manton Campbell Mitchell,
Walker Evans Hobson,
George Lane Van Deusen,
Thom Catron,
Philip Hayes,
Carl Adolph Baehr,
Wallace Copeland Philoon,
Delos Carleton Emmons,
Eley Parker Denson,
Robert Lawrence Eichelberger,
Joseph Caldwell Morrow, jr.,
Raymond Durno Smith,
Robert Sears,
William Allison Reed,
Lee Dunnington Davis,
Merl Paul Schillerstrom,
Louis Philip Ford,
Clifford Bluemel,
Francis Robert Hunter, and
William Hood Simpson.

POSTMASTERS.

COLORADO.

A. C. Moulton, at Meeker, Colo.

DELAWARE.

M. Howard Jester, at Wilmington, Del.

IOWA.

W. R. Harris, at Hamburg, Iowa.

NEW HAMPSHIRE.

Arthur H. Copp, at Wolfeboro, N. H.

NEW JERSEY.

Alonzo Hand, at Highlands, N. J.
William K. Van Iderstine, at Maplewood, N. J.

NEW YORK.

Elijah P. Raynor, at West Hampton Beach, N. Y.
Lincoln Sackett, at New Lebanon, N. Y.

HOUSE OF REPRESENTATIVES.

MONDAY, *June 28, 1909.*

The House met at 12 o'clock m.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D.

The Journal of the proceedings of Thursday, June 24, 1909, was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. CRAIG indefinitely, on account of illness in the family.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed without amendment bills of the following titles:

H. R. 10933. An act making appropriations for expenses of the Thirteenth Decennial Census, and for other purposes; and

H. R. 10887. An act to make Scranton, in the State of Mississippi, a subport of entry, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

Mr. WILSON of Illinois, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution and bills of the following titles, when the Speaker signed the same:

H. J. Res. 59. Joint resolution amending an act concerning the recent fire in Chelsea, Mass.;

H. R. 10933. An act making appropriations for expenses of the Thirteenth Decennial Census, and for other purposes; and

H. R. 10887. An act to make Scranton, in the State of Mississippi, a subport of entry, and for other purposes.

THE CENSUS.

Mr. CRUMPACKER. Mr. Speaker, I send to the Clerk's desk the conference report on the bill (H. R. 1033) to provide for the Thirteenth and subsequent decennial censuses, and I ask unanimous consent that the report be taken up for consideration at this time.

The SPEAKER. The gentleman from Indiana presents a conference report upon the census bill and asks unanimous consent that the report be taken up for consideration at this time. Is there objection?

Mr. MACON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman in charge of the bill a question or two. I understand that the conference committee have come to an agreement upon a final report.

Mr. CRUMPACKER. That is the fact.

Mr. MACON. Does the agreement save anything to the Treasury at this time?

Mr. CRUMPACKER. It saves considerable to the Treasury at this time. The agreement strikes out all the provisions in relation to the purchase of a site and the construction of a new building. It saves nearly a million dollars in that respect. Then the agreement saves from twelve to fifteen thousand dollars a year in the way of salaries.

Mr. HAY. And I might say, Mr. Speaker, that it also saves about $150,000 a year in the salaries of clerks.

Mr. CRUMPACKER. Yes; that is true; and from twelve to fifteen thousand dollars a year in the salaries of officers.

Mr. MACON. Mr. Speaker, the gentlemen have said enough. I certainly have no objection to the immediate consideration of the conference report, as it seems to be based upon economy, and I do not think it is even necessary to have a quorum present to adopt a report when anything is to be saved to the Government by its adoption.

The SPEAKER. The Chair hears no objection.

Mr. CRUMPACKER. Mr. Speaker, I now ask unanimous consent that the statement of the House managers be read in lieu of the report.

The SPEAKER. The gentleman from Indiana asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1033) to provide for the Thirteenth and subsequent decennial censuses having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 4, 12, 14, 21, 31, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 6, 8, 9, 10, 11, 16, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, and 36; and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "two thousand eight hundred and seventy-five dollars;" and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: Strike out the matter inserted by said amendment; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "That when the exigencies of the service require, the director may appoint for temporary employment not exceeding sixty days' duration from the aforesaid list of eligibles those who, by reason of residence or other conditions, are immediately available; and may also appoint, for not exceeding sixty days' duration, persons having had previous experience in operating mechanical appliances in census work, whose efficiency records in operating such appliances are satisfactory to him, and may accept such records in lieu of the civil-service examination;" and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: Strike out the matter inserted by said amendment; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the number proposed by said amendment insert the following: "33;" and the Senate agree to the same.

EDGAR D. CRUMPACKER,
JAMES HAY,
Managers on the part of the House.

ROBERT M. LA FOLLETTE,
EUGENE HALE,
JAMES P. TALIAFERRO,
Managers on the part of the Senate.

STATEMENT.

Statement by the managers on the part of the House to accompany the conference report on H. R. 1033:

Amendment No. 1 required the appointment of all clerks and officers provided in section 3 by the Director of the Census upon competitive examination. The agreement restores the House provision.

Amendment No. 2 reduced the salary of the Assistant Director of the Census from $5,000 to $4,000 a year. The agreement restores the amount fixed by the House.

Amendment No. 12 increased the minimum salaries of clerks and employees, provided in section 6, from $600 to $720 a year. The agreement restores the amount fixed by the House.

Amendment No. 14 required officers and employees, provided in section 8, to be examined in the same manner as those provided in section 6.

Amendment No. 21 provided for a census of ruptured, crippled, or deformed persons under 18 years of age.

Amendment No. 31 required an investigation into the business of producing turpentine and rosin and the manner in which such business is conducted.

Amendment No. 35 reduced the maximum pay of interpreters from $5 to $4 a day.

Amendment No. 2, to which the House recedes, reduces the salary of the Director of the Census from $7,500 to $7,000 a year.

Amendment No. 3 reduces the salary of the private secretary to the director from $2,500 to $2,250 a year.

Amendment No. 5 reduces the salaries of the chief statisticians from $3,500 to $3,000 a year.

Amendment No. 6 reduces the salary of the chief clerk from $3,000 to $2,500 a year.

Amendment No. 8 reduces the salary of the appointment clerk from $3,000 to $2,500 a year.

Amendment No. 9 reduces the salary of the geographer from $3,000 to $2,500 a year.

Amendment No. 10 reduces the salaries of chiefs of divisions from $2,250 to $2,000 a year.

Amendment No. 11 reduces the salaries of stenographers from $2,000 to $1,800 a year.

Amendment No. 16 provides that in no instance shall more than one person from the same family be appointed in the classified service.

Amendments Nos. 18 and 19 are changes in phraseology.

Amendment No. 20 provides for an inquiry respecting employment in the census of population.

Amendment No. 22 is phraseological only.

Amendments 23, 24, 25, 26, and 27 relate to the census of agriculture and require inquiries respecting the color and nativity of those engaged therein, the acreage of crops and woodland, and the character of timber on woodland.

Amendments 28, 29, and 30 relate to the quantity and quality of turpentine and rosin produced and marketed.

Amendments 32 and 33 are phraseological only.

Amendment 34 provides that the appointment of supervisors of census shall be confirmed by the Senate.

Amendment 36 reduces the amount that may be allowed special agents for subsistence from $4 to $3 a day.

The House receded from its disagreement to amendment No. 7 with an amendment striking out the amount fixed by the Senate amendment as salary for the disbursing clerk and substituting therefor the sum of $2,875.

The House receded from its disagreement to amendment No. 13 with an amendment striking out the new language inserted by said amendment.

The House receded from its disagreement to amendment No. 17 with an amendment striking out the new matter inserted by said amendment and substituting therefor the following provision:

"That when the exigencies of the service require, the director may appoint for temporary employment, not exceeding sixty days' duration, from the aforesaid list of eligibles those who, by reason of residence or other conditions, are immediately available, and may also appoint, for not exceeding sixty days' duration, persons having had previous experience in operating mechanical appliances in census work whose efficiency records in operating such appliances are satisfactory to him, and may accept such records in lieu of the civil-service examination."

The House receded from its disagreement to amendment No. 37 with an amendment striking out the new matter inserted by said amendment. The effect of this agreement is to eliminate from the bill all authority to acquire a site and building or to construct a building for the Census Office.

Amendment No. 38 relates only to the numbering of the sections of the bill.

EDGAR D. CRUMPACKER,
JAMES HAY,
Managers on the part of the House.

Mr. HULL of Iowa. Mr. Speaker, before the gentleman begins I would like to ask him a question.

Mr. CRUMPACKER. I yield to the gentleman.

Mr. HULL of Iowa. Mr. Speaker, the statement which has just been read in nearly all cases does not state the action of the conferees. For instance, there is one amendment which provides that only one member of a family shall be employed, and so forth. That tells what the amendment is, but the statement does not say whether the House receded or whether the Senate receded. I give that merely as an illustration.

Mr. CRUMPACKER. The statement is made to accompany the report, and the report shows the action of the conferees in relation to the various amendments. In the amendment to which the gentleman has just referred, the report shows what was done; that the house receded from its disagreement to that amendment and agreed to the same. That amendment is so nearly allied to amendment No. 15, which the House decided ought to be in the bill the other day, that the House conferees felt that in carrying out the spirit and purpose of amendment No. 15, it ought to recede from its disagreement and agree to amendment No. 16, I think it is.

Mr. Speaker, the principal change made by the conferees was in striking out the provision of the bill authorizing the Secretary of Commerce and Labor and the Director of the Census to purchase a site and building and to construct a temporary building for the temporary Census Office.

When that provision was first put in the bill there was an abundance of time to negotiate the purchase and provide for the construction of the temporary building, and the House provision related exclusively to the building and site now occupied by the permanent Census Office and some property adjoining. The Senate provision gave the Secretary of the Treasury general authority to negotiate the purchase of a site anywhere in the city and to construct a building thereon. Time has so run along that we reached the conclusion it would be impossible, or impracticable at least, for the Census Office or the Secretary of Commerce and Labor to buy the additional land and construct a building in time to accommodate the overflow of clerks and employees for the Thirteenth Census, and there is some question now in the minds of the conferees on both sides about the desirability of buying the site of the present Census Office for that purpose. The only argument that was made for it in the first place was that if it could be bought in time and a building put up, the Government might have saved enough during the decennial census period to have paid for the property and for the construction of the temporary building.

That advantage seems largely removed now by the lapse of time, and therefore the conferees concluded it would be better to strike out all authority to anyone in reference to the purchase of property and for the construction of a new building. It is likely that the Government in the course of a few years will provide for a new building for the Department of Commerce and Labor, and it would be much better, I think, to have the department building large enough to accommodate every bureau in that department, including the permanent Census Office. During the temporary period it is hardly likely that the department building would be large enough to accommodate all the force of clerks in the office, but it would not be good business for the Government to buy a site and put up a building for the extra force in the Census Office when it could only occupy it three years out of every ten. We made an investigation and found fairly satisfactory provision could be made for the rental of quarters during the temporary census period this year. Now, we raised—we did not increase either; but the Senate receded from the amendment reducing the salary of the Assistant Director of the Census from $5,000 to $4,000 a year, and it is now restored to $5,000 a year; and the Senate agreed to fix the salary of the disbursing officer at $2,875 a year. The House bill fixed it at $3,000 a year and the Senate bill fixed it at $2,500. We added $375 a year because we ascertained it would cost the disbursing officer $375 a year to pay for the additional bond that the bill requires him to give. Therefore he will receive a net salary of $2,500 a year. Then the Senate receded from its amendment fixing the minimum salary of the force of clerks during the temporary period in the Census Office. It increased the minimum from $600 to $720 a year, and that goes back to $600 a year. Perhaps the most important amendment among these small ones was the amendment in reference to the census of naval stores, the collection of statistics relating to the manufacture of turpentine and rosin. The Senate had a provision authorizing and requiring the Census Office to make an inquiry into the business and manner in which it was conducted, palpably for the purpose of determining whether the antitrust laws were being violated. The House managers took the position that the Census Office ought not to go into the business of making investigations involving criminal or quasi criminal conduct; that its functions should be to gather facts for statistical purposes only; that if it should make investigations that could be used in criminal prosecutions, no company or concern in the country would feel safe in giving information that is necessary for statistical purposes; and the Senate receded from this vital amendment.

Now, another amendment that the House receded from was the one authorizing the appointment of supervisors of the census by and with the consent of the Senate or requiring confirmation of the Senate in those appointments. I do not believe the Senate ought to confirm appointments of supervisors of the census. The Constitution requires confirmation on the part of the Senate respecting appointments to certain offices of importance, of dignity and responsibility; but it authorizes the Congress to create other offices, giving the President and heads of departments permission to appoint without confirmation on the part of the Senate. Supervisors of the census are temporary. Probably the tenure will not exceed six or eight months. The average salary will not be above $1,600, and it would seem that these minor officers ought to be appointed by the President or the head of the department, without regard to the Senate.

But, Mr. Speaker, the House conferees were notified in the first place that it was a piece of impertinence on the part of the House to say to the Senators what particular officers they should be allowed to confirm and what not. One Senator insisted that that was a function that belonged to the Senate to decide, and that the House of Representatives ought not to have anything to say about it. Of course, we did not agree to that theory, but we were persuaded that under the circumstances, if the Senate managers receded from that amendment, the probabilities were that the bill would have to go back into conference. The House conferees were handicapped.

Mr. COOPER of Wisconsin. Will the gentleman indicate to the House about how many officers would require confirmation by the Senate under that plan?

Mr. CRUMPACKER. The Director of the Census and the assistant director; and there are 330 supervisors provided for. The House conferees were handicapped in the fact that the present law requires the confirmation of supervisors by the Senate, and by the further fact that the bill that was passed last winter by both Houses, and disapproved by the Executive, made the same provision, and the recent precedents seem to be against the House; but if it had not been for the question of time, which we regarded as the "essence of the contract" almost, we probably would have brought the question back to the House for further consideration. But we concluded that it would be better to close out the bill, agree to the provisions, and have it ended.

Now, Mr. Speaker, I move that the conference report——

Mr. GARRETT. The Senate had the advantage by reason of the fact that they would refuse to agree to any bill, which would still leave the matter in the hands of the Senate?

Mr. CRUMPACKER. Yes.

Mr. TAWNEY. I desire to ask the gentleman a question.

Mr. CRUMPACKER. I yield.

Mr. TAWNEY. The gentleman may have covered the question; but I understand in reading the report that it is proposed to increase the salary of the disbursing officer from $2,500 to $2,875?

Mr. CRUMPACKER. Yes.

Mr. TAWNEY. Has the gentleman stated why that increase is necessary?

Mr. CRUMPACKER. Yes. We ascertained that $300 a year additional was required from the disbursing officer on account of the increased bond the bill required, and he is required to pay, we are informed, $75 now, and we simply put enough in the bill to cover the entire cost of furnishing bond, so that his salary might be $2,500 a year, the same salary that is paid now. The work and responsibility, too, have greatly increased.

Mr. TAWNEY. Is the gentleman aware of the fact that since January 1, 1909, the premium rate on his bond has been increased 300 per cent?

Mr. CRUMPACKER. I know it has been increased. I did not suppose it was 300 per cent.

Mr. TAWNEY. One dollar was the rate paid by the disbursing officer of the Census Bureau prior to January, 1909, and $3 is the rate that is demanded of him now. It requires the payment of $375 a year to pay the premium on the bond which the disbursing officer is obliged to give.

Mr. CRUMPACKER. I think the disbursing officer ought to have a little more to compensate him for the additional work required, and we fixed it at $375, and it is explainable on the theory that that officer was required to give the additional bond.

But the House bill fixed the salary at $3,000. We thought the amount fixed by the Senate was too small, in view of the increased bond. I knew that the surety rate was higher than that fixed prior to January 1, but did not know that it had been increased 300 per cent.

Mr. TAWNEY. A dollar a thousand is what they charged to disbursing officers generally prior to January 1, 1909, and it is $3 now; and they are obliged to pay it. I merely wanted to call attention to this, because it only goes to show that if the rates now charged, as the result of the combination between the bonding companies, are enforced the Government will have

to pay the premium rates on all the bonds, either directly or indirectly.

Mr. DOUGLAS. Will the gentleman from Indiana allow me to ask the gentleman from Minnesota a question?

Mr. CRUMPACKER. I yield to the gentleman for that purpose.

Mr. DOUGLAS. The gentleman speaks of a combination of all the bonding companies of the country. They are not all in the combination, are they?

Mr. TAWNEY. My information is that about all but one are in the combination.

Mr. DOUGLAS. Five of the largest are. Some of the largest in the country are not in the combination; so that it is not absolutely essential that we should pay this increase.

Mr. TAWNEY. Under the law the Treasury Department has made a regulation whereby only bonding companies which come within the regulation as to surplus and capital are allowed to bond government officials and government employees.

Mr. DOUGLAS. But I assure the gentleman that some of the companies that do come within the requisites are not in this combination.

Mr. TAWNEY. I know of only one.

Mr. DOUGLAS. I know of one, and that is a large company.

Mr. SLAYDEN. Mr. Speaker, I would like to ask the gentleman from Minnesota what, if any, steps are being taken to prevent the Government from being "held up" by these bonding companies in this way that he speaks of, if the Government is "held up" for this increased premium?

Mr. TAWNEY. There will be a hearing to-morrow before Members of the House who were formerly members of the Committee on Appropriations, at which the bonding companies will appear, with the view of arriving at some solution of this question, so as to prevent the Government from paying the premium rate, either directly or indirectly.

Mr. SLAYDEN. Does this independent company of which the gentleman from Ohio speaks make low charges, or have they advanced their rates also?

Mr. TAWNEY. They have not advanced any, but I know of only one company that has not.

Mr. CLAYTON. Mr. Speaker, I desire to ask the gentleman from Indiana a question.

Mr. CRUMPACKER. I yield to the gentleman for a question.

Mr. CLAYTON. How does the compensation of this disbursing officer of the Census Bureau compare with the compensation given to other disbursing officers of the Government?

Mr. CRUMPACKER. I think it is about the same.

Mr. CLAYTON. It runs, in your opinion, about the average?

Mr. CRUMPACKER. That is my understanding.

Mr. TAWNEY. It is the maximum, with one exception. I think there is one exception.

Mr. CLAYTON. What is the average pay?

Mr. TAWNEY. Two thousand five hundred dollars.

Mr. CLAYTON. That is the average pay of disbursing officers?

Mr. CRUMPACKER. We fixed it first at $2,500. The increase we have made is so that the officer will receive that after paying for the bond.

Mr. CLAYTON. How much is it fixed at now?

Mr. CRUMPACKER. At $2,875, in view of the additional amount of the bond and the additional amount of work and responsibility.

Mr. CLAYTON. I understood the gentleman from Minnesota to say that $2,500 was the maximum given to other disbursing officers, and this officer is given this increased amount in view of the extra amount of work, and at last it is only a fair average——

Mr. CRUMPACKER. It is.

Mr. CLAYTON. Compared with the compensation of all the other disbursing officers.

Mr. CRUMPACKER. There is one other question I have been asked to explain briefly, and it is the modification in respect to the appointment provision. The House agreed to the Senate amendment No. 15, in relation to the place of examination and the question of domicile. The House also put in the bill a provision respecting the geographical distribution of appointees throughout the country. There was another feature in the bill giving some flexibility to the appointment provision, so as to allow the Director of the Census to meet emergencies.

That was modified so that the director, when an exigency arises, has power to appoint from the eligible list those who may be immediately available to tide over the emergency, for not exceeding a period of sixty days; and then the director also has permission to appoint, without any examination, for a period not exceeding sixty days, those who have had previous experience in the Census Office respecting tabulating machines and whose record of efficiency in the office is satisfactory. Those appointments can not exceed sixty days.

That modification was made for the purpose of giving the Director of the Census the power to meet any exigency that might arise on account of anything that can not be foreseen, so that he will then have plenty of time to secure the regular clerks from the country; and when they come down, the temporaries will go out of the service.

Mr. DOUGLAS. Will the gentleman yield to me?

Mr. CRUMPACKER. Certainly.

Mr. DOUGLAS. In the gentleman's opinion is not the bill so framed that if an exigency occurs and the director does appoint men of experience for sixty days he can keep on reappointing them for periods of sixty days, and thus keep them employed for six or seven months or longer?

Mr. CRUMPACKER. Well, I do not know about that. He could not do it without violating the spirit of the law.

Mr. DOUGLAS. But he could, without violating the letter of the law?

Mr. CRUMPACKER. Not without violating the spirit anyhow, and I hardly think we have a right to presume that the director will do that.

Mr. Speaker, I move that the conference report be agreed to.

The question was taken, and the conference report was agreed to.

On motion of Mr. CRUMPACKER, a motion to reconsider the last vote was laid on the table.

ADJOURNMENT.

Mr. PAYNE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 12 o'clock and 35 minutes p. m.) the House, in accordance with the order heretofore adopted, adjourned until Thursday, July 1, 1909.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

A letter from the Acting Secretary of the Treasury, transmitting a copy of a letter from the Secretary of Commerce and Labor requesting that the estimate of appropriation of $80,000 to complete immigration station, Ellis Island, N. Y., be canceled (H. Doc. No. 33, pt. 2)—to the Committee on Appropriations and ordered to be printed.

A letter from the Acting Secretary of the Treasury, transmitting a copy of a letter from Acting Librarian of Congress submitting an estimate of appropriation for carrier service during the extra session of Sixty-first Congress (H. Doc. No. 65)—to the Committee on Appropriations and ordered to be printed.

A letter from the Secretary of the Treasury, submitting an estimate of appropriation for the manufacture of ice for the Treasury building (H. Doc. No. 66)—to the Committee on Appropriations and ordered to be printed.

A letter from the Secretary of the Treasury, submitting the draft of a proposed act to enable certain unexpended balances to be used in fitting up offices for the Supervising Architect (H. Doc. No. 67)—to the Committee on Appropriations and ordered to be printed.

A letter from the Acting Secretary of the Treasury, transmitting a letter from the Secretary of Commerce and Labor submitting an estimate of appropriation of $3,000 to carry into effect the provisions of the act of March 4, 1909, for surveys of waters of North Carolina (H. Doc. No. 68)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of War, submitting a report from Maj. M. L. Walker, Corps of Engineers, of a preliminary examination of Arkansas River at Douglas, Ark., made in compliance with the river and harbor act of March 3, 1909 (H. Doc. No. 69)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report of examination of New River, Dade County, Fla. (H. Doc. No. 70)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports of examination of Arkansas River up to Muskogee and at Pine Bluff; Red River between Fulton, Ark., and mouth of Wichita River; and White River at Augusta Narrows, Arkansas (H. Doc. No. 71)—to the Committee on River and Harbors and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, together with copy of a report from Capt. E. M. Adams, Corps of Engineers, of a preliminary examination of Waverly Creek, South Carolina, made in com-

pliance with the river and harbor act of March 3, 1909 (H. Doc. No. 72)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports from Maj. M. L. Walker, Corps of Engineers, of a preliminary examination of Blackfish Bayou, Arkansas, made in compliance with the river and harbor act of March 3, 1909 (H. Doc. No. 73)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, together with a copy of a report from Maj. M. L. Walker, Corps of Engineers, of a preliminary examination of Little Black River, Arkansas and Missouri, made in compliance with the river and harbor act of March 3, 1909 (H. Doc. No. 74)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report of examination of Indian River, Florida, from Fort Pierce to Sewalls Point (H. Doc. No. 75)—to the Committee on Rivers and Harbors and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report of examination of Feather River, California, from the mouth to Marysville (H. Doc. No. 76)—to the Committee on Rivers and Harbors and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. OLCOTT: A bill (H. R. 11061) authorizing the purchase of 13 historical paintings—to the Committee on the Library.

By Mr. AUSTIN: A bill (H. R. 11062) to make certain funds applicable in the payment of expenses of encampments of the organized militia—to the Committee on Military Affairs.

By Mr. HOBSON: A bill (H. R. 11063) to authorize the Alabama, Tennessee and Northern Railroad Company to construct a bridge across Noxubee River—to the Committee on Interstate and Foreign Commerce.

By Mr. BARTHOLDT: Concurrent resolution (H. C. Res. 18) providing for the appointment of two commissions, one to be known as the "Commission on the Permanent International Court of Arbitral Justice," and the other as the "Commission on the Limitation of Armaments"—to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. BROWNLOW: A bill (H. R. 11064) granting a pension to Robert B. Moreland—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11065) granting an increase of pension to John Gibbins—to the Committee on Invalid Pensions.

By Mr. BYRNS: A bill (H. R. 11066) for the relief of the estate of A. J. Tynes, deceased—to the Committee on War Claims.

By Mr. CALDERHEAD: A bill (H. R. 11067) granting an increase of pension to Thomas Haxton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11068) granting an increase of pension to Thomas J. Snodgrass—to the Committee on Invalid Pensions.

By Mr. CARLIN: A bill (H. R. 11069) to carry into effect the findings of the Court of Claims in the matter of the claim of the trustees of the Presbyterian Church of Marshall, Va.—to the Committee on War Claims.

Also, a bill (H. R. 11070) to carry into effect the findings of the Court of Claims in the matter of the claim of the trustees of Cedar Run Baptist Church, of Culpeper County, Va.—to the Committee on War Claims.

By Mr. DODDS: A bill (H. R. 11071) granting an increase of pension to Harvey T. Alcott—to the Committee on Invalid Pensions.

By Mr. EDWARDS of Kentucky: A bill (H. R. 11072) for the relief of Thomas J. Wells—to the Committee on Military Affairs.

Also, a bill (H. R. 11073) for the relief of W. E. Hancock, of Cane Valley, Adair County, Ky.—to the Committee on War Claims.

Also, a bill (H. R. 11074) for the relief of Sallie A. Slaven—to the Committee on War Claims.

Also, a bill (H. R. 11075) granting a pension to William H. Lewis—to the Committee on Pensions.

Also, a bill (H. R. 11076) granting a pension to Cobb T. Berry—to the Committee on Pensions.

Also, a bill (H. R. 11077) granting a pension to Martha Jones—to the Committee on Pensions.

Also, a bill (H. R. 11078) granting a pension to Warner Raiser—to the Committee on Pensions.

Also, a bill (H. R. 11079) granting a pension to Susan Murphy—to the Committee on Pensions.

Also, a bill (H. R. 11080) granting a pension to Briant Scott—to the Committee on Pensions.

Also, a bill (H. R. 11081) granting a pension to Starlin Stanfill—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11082) granting a pension to Jesse Abbott—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11083) granting a pension to Ephriam D. Prewitt—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11084) granting an increase of pension to Martin R. Dutton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11085) granting an increase of pension to Merida Wilson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11086) granting an increase of pension to John W. Thompson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11087) granting an increase of pension to Pitser Coop—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11088) granting an increase of pension to Eli Couch—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11089) granting an increase of pension to Thomas J. Underwood—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11090) granting an increase of pension to William Stringer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11091) granting an increase of pension to George W. Brown—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11092) granting an increase of pension to Stephen K. Ashley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11093) granting an increase of pension to Ira McCrary—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11094) granting an increase of pension to Thomas J. Taylor—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11095) granting an increase of pension to Thomas M. Floyd—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11096) granting an increase of pension to Benjamin J. Bowman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11097) granting an increase of pension to Hiram Moore—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11098) granting an increase of pension to Zachariah Roy—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11099) granting an increase of pension to William T. Hines—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11100) granting an increase of pension to Minor McKiddy—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11101) granting an increase of pension to John Doss—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11102) granting an increase of pension to John P. Hamilton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11103) granting an increase of pension to Henry Pettyjohn—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11104) granting an increase of pension to George Nichols—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11105) granting an increase of pension to James M. Ard—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11106) granting an increase of pension to William L. Brown—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11107) granting an increase of pension to Halcom Tarter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11108) granting an increase of pension to John Perkins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11109) granting an increase of pension to Perry Weddle—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11110) granting an increase of pension to Benjamin Roberts—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11111) granting an increase of pension to Margaret A. Hope—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11112) granting an increase of pension to Baley M. Bryant—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11113) granting an increase of pension to Joseph Sumpter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11114) granting an increase of pension to James R. Campbell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11115) granting an increase of pension to Thomas J. Hicks—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11116) granting an increase of pension to Henderson Smith—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11117) granting an increase of pension to William S. Gregory—to the Committee on Invalid Pensions.

Also, a bill (H. R. 11118) granting an increase of pension to Laban McGahan—to the Committee on Pensions.

Also, a bill (H. R. 11119) granting an increase of pension to Charles W. Gilbert—to the Committee on Pensions.

Also, a bill (H. R. 11120) granting an honorable discharge to William Bush—to the Committee on Military Affairs.

Also, a bill (H. R. 11121) granting an honorable discharge to John Thacker—to the Committee on Military Affairs.

Also, a bill (H. R. 11122) granting an honorable discharge to Benjamin H. Pruett—to the Committee on Military Affairs.

Also, a bill (H. R. 11123) granting an honorable discharge to Charles Abbott—to the Committee on Military Affairs.

Also, a bill (H. R. 11124) to correct the military record of Capt. John C. Wilson—to the Committee on Military Affairs.

By Mr. GARDNER of New Jersey: A bill (H. R. 11125) granting an increase of pension to Isaac Brooks—to the Committee on Invalid Pensions.

By Mr. GOULDEN: A bill (H. R. 11126) for the relief of Theodore Schroeter—to the Committee on Appropriations.

By Mr. McCALL: A bill (H. R. 11127) for the relief of J. Hovey Rand—to the Committee on War Claims.

By Mr. PATTERSON: A bill (H. R. 11128) granting a pension to Ernest E. Pearsall—to the Committee on Pensions.

By Mr. SLAYDEN: A bill (H. R. 11129) for the relief of Ramon Hernandez—to the Committee on Claims.

By Mr. YOUNG of Michigan: A bill (H. R. 11130) granting an increase of pension to Staford Oatman—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Petition of Chicago (Ill.) Association of Commerce, composed of 3,000 firms, corporations, and individuals, protesting against legislation to tax the net income of corporations while omitting individuals and copartnerships engaged in competitive lines of business—to the Committee on Ways and Means.

By Mr. BURKE of Pennsylvania: Petition of Mrs. R. Le Grant and other citizens of Pittsburg, Pa., against the increase of duty on women's gloves—to the Committee on Ways and Means.

By Mr. CLARK of Florida: Petition of numerous cigar makers' unions of the State of Florida, against free cigars from the Philippine Islands—to the Committee on Ways and Means.

By Mr. HANNA: Petition of citizens of Lisbon, N. Dak., against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. HILL: Petition of Chamber of Commerce, New Haven, Conn., favoring an expert tariff commission—to the Committee on Ways and Means.

By Mr. HOLLINGSWORTH: Petition of W. H. Ragan and others, against placing engraved portrait of Jefferson Davis on silver service of the battle ship *Mississippi*—to the Committee on Naval Affairs.

By Mr. JOYCE: Petition of citizens of Frazeysburg, Ohio, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. LOVERING: Petition of Brockton Printing Pressmen and Assistants' Union, No. 102, against the duty on print paper and wood pulp and against the tariff bill as it relates to the printing industry—to the Committee on Ways and Means.

By Mr. MOORE of Pennsylvania: Petition of Hat Makers' Beneficial Association, Americo Vespucci Circle, for adoption of October 12 as a holiday, to be known as "Columbus Day"—to the Committee on the Judiciary.

By Mr. HENRY W. PALMER: Petition of Plains Council, No. 660, Junior Order United American Mechanics, favoring enactment of anti-Asiatic immigration legislation—to the Committee on Immigration and Naturalization.

By Mr. RUCKER of Colorado: Petitions of Chamber of Commerce of Rifle, Delta County Business Men's Association, Olathe Chamber of Commerce, Colorado Springs Chamber of Commerce, all in the State of Colorado, against any reduction of the tariff on sugar—to the Committee on Ways and Means.

Also, petition of Denver Chamber of Commerce and Board of Trade, against reduction of duty on lead ore and lead products—to the Committee on Ways and Means.

Also, petition of Denver Live Stock Exchange, favoring retention of the 15 per cent duty on hides—to the Committee on Ways and Means.

Also, petition of Left Hand Grange, No. 9, of Minot, Colo., for a nonpartisan tariff commission—to the Committee on Ways and Means.

By Mr. SLAYDEN: Paper to accompany bill for relief of Ramon H. Fernandez—to the Committee on Claims.

By Mr. SPERRY: Resolutions of the Chamber of Commerce of New Haven, Conn., favoring the creation of a tariff commission—to the Committee on Ways and Means.

By Mr. TAYLOR of Colorado: Petition of chambers of commerce of Rifle, Olathe, and Plateau City, all of the State of Colorado, favoring retention of present rate of duty on sugar—to the Committee on Ways and Means.

By Mr. WEEKS: Petition of directors of the Boston Chamber of Commerce, against federal tax on earnings of corporations—to the Committee on Ways and Means.

SENATE.

TUESDAY, *June 29, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a memorial of the Retail Grocers' Association of Brooklyn, N. Y., remonstrating against the assertion that the retail dealers of the country are responsible for the prevailing high-priced commodities, which was referred to the Committee on Finance.

Mr. JONES presented a petition of the Chamber of Commerce of Seattle, Wash., praying that an annual appropriation of $50,000,000 be made for the improvement of the waterways and harbors of the country, which was referred to the Committee on Commerce.

Mr. OLIVER presented a petition of North Orwell Grange, No. 128, Patrons of Husbandry, of Bradford County, Pa., praying for the retention of the duty on oleomargarine, which was ordered to lie on the table.

Mr. PILES presented a petition of the Chamber of Commerce of Seattle, Wash., praying that an annual appropriation of $50,000,000 be made for the improvement of the waterways and harbors of the country, which was referred to the Committee on Commerce.

IMPRISONMENT OF NAVAJO INDIANS.

Mr. OWEN. I present the memorial of S. M. Brosius, on behalf of the Indian Rights Association, relative to the decision of the supreme court of Arizona in the habeas corpus proceedings instituted by that association on behalf of certain imprisoned Navajo Indians, and so forth. I ask that the memorial be printed as a document and also that it be printed in the RECORD.

There being no objection, the memorial was ordered to be printed as a document (S. Doc. No. 118) and in the RECORD, as follows:

WASHINGTON, D. C., *June 28, 1909.*

To the Senate of the United States:

On behalf of the Indian Rights Association, I inclose as a memorial the decree of the supreme court of Arizona, with accompanying papers, in the matter of the petition by Bi-a-lil-le and other Navajo Indians for a writ of habeas corpus. These Indians have been imprisoned for one year and eight months and subjected to hard labor, upon approval of the Commissioner of Indian Affairs, without a charge having been filed against them in any court of law, without benefit of counsel or proceeding by due course of law.

The decision in this case marks an epoch, guaranteeing to the red man those rights secured to our forefathers by Magna Charta.

Very respectfully,

S. M. BROSIUS,
Agent Indian Rights Association.

IMPRISONMENT WITHOUT TRIAL.

INDIAN RIGHTS ASSOCIATION,
709 PROVIDENT BUILDING,
Philadelphia, April 15, 1909.

For the information of our members and the general public, we give below a decision recently rendered by the Arizona supreme court in the habeas corpus proceedings instituted by this association on behalf of certain Navajos who were imprisoned, as we contend, without warrant of law by the arbitrary action of the Commissioner of Indian Affairs. We also append a reply by Doctor Grammer to the article in The Outlook of January 30, 1909, by Hon. F. E. Leupp, Commissioner of Indian Affairs, defending his "law or no law" method of dealing with the Indians, as enunciated by him at the Lake Mohonk conference in October, 1908.

This matter was taken up by the association because it was believed to be one of fundamental importance in dealing with Indians. We contend that the Indian is a person within the meaning of the Constitution and can not be deprived of his liberty "without due process of law." The court of first instance in Arizona denied the application for